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Draft Prospectus

Dated: September 05, 2022

Fixed Price Issue

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



## AMANAYA VENTURES LIMITED

Corporate Identification Number: U51101PB2009PLC032640

Registered Office	Contact Person	Email and Telephone	Website
69-70, First Floor, Deep Complex, Court Road, Amritsar-143001, Punjab, India	Mrs. Gurpreet Kaur Company Secretary and Compliance Officer	Email: <a href="mailto:info@amanaya.in">info@amanaya.in</a> Tel No.: +91 9914997607	<a href="http://www.amanaya.in">www.amanaya.in</a>

### PROMOTER OF OUR COMPANY: MR.MANAN MAHAJAN

#### DETAILS OF ISSUE TO PUBLIC

Type	Fresh Issue Size	Offer For Sale Size	Total Issue Size	Eligibility
Fresh Issue	12,00,000 Equity Shares at the Issue Price of Rs. 31 each aggregating Rs. 372.00 Lakhs	N.A.	12,00,000 Equity Shares at the Issue Price of Rs. 31 each aggregating Rs. 372.00 Lakhs	This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Issue is being made pursuant to Regulation 229 (1) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is less than Rs.10.00 Cr.

#### DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION

- NIL -

#### RISKS IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price of Rs. 31 is 3.1 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 74 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. **Specific attention of the investors is invited to "Risk Factors" on page 24.**

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME Platform"). For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited ("BSE").

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>First Overseas Capital Limited</b> <b>Contact Person:</b> Mr. Satish Sheth / Ms. Mala Soneji <b>Tel. No.:</b> +91 22 40509999 <b>Email:</b> <a href="mailto:satish@focl.in">satish@focl.in</a> / <a href="mailto:mala@focl.in">mala@focl.in</a>	<b>Beetal Financial &amp; Computer Services Private Limited</b> <b>Contact Person:</b> Mr. Punit Mittal <b>Tel. No.:</b> 011-29961281-83/26051061/26051064 <b>Email:</b> <a href="mailto:beetal@beetalfinancial.com">beetal@beetalfinancial.com</a> / <a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a>
ISSUE PROGRAMME	
ISSUE OPENS ON:  ●	ISSUE CLOSES ON:  ●



## AMANAYA VENTURES LIMITED

Corporate Identification Number: U51101PB2009PLC032640

Our Company was originally incorporated as Amanaya Financial Services Private Limited on February 27, 2009 under the Companies Act, 1956 vide certificate of incorporation issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. Subsequently the name of the company was changed from "Amanaya Financial Services Private Limited" to "Amanaya Ventures Private Limited" under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extraordinary General Meeting held on September 14, 2015 and had obtained fresh certificate of incorporation dated September 16, 2015 issued by the Assistant Registrar of Companies, Chandigarh. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated October 09, 2015 and the name of our Company was changed to "Amanaya Ventures Limited" to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Chandigarh, dated October 15, 2015. For details pertaining to the changes of name of our company and change in the registered office, please refer to the chapter titled 'History and Certain Corporate Matters' beginning on page no. 113 of this Draft Prospectus.

Registered Office: 69-70, First Floor, Deep Complex, Court Road, Amritsar-143001, Punjab, India;

Tel. No.: +91 9914997607; Email: [info@amanaya.in](mailto:info@amanaya.in); Website: [www.amanaya.in](http://www.amanaya.in)

Contact Person: Mrs. Gurpreet Kaur, Company Secretary & Compliance Officer

### PROMOTER OF OUR COMPANY: MR. MANAN MAHAJAN

INITIAL PUBLIC ISSUE OF 12,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF AMANAYA VENTURES LIMITED ("OUR COMPANY" OR "THE ISSUER COMPANY") FOR CASH AT A PRICE RS. 31/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 21/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO RS. 372.00 LAKHS ("THE ISSUE"), OUT OF WHICH 64,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR A CASH PRICE OF RS. 31/- PER EQUITY SHARE, AGGREGATING TO RS. 19.84 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 11,36,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 31/- PER EQUITY SHARE AGGREGATING TO RS. 352.16 LAKHS (IS HEREINAFTER REFERRED TO AS THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 32.09% AND 30.38%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 193 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10.00 EACH AND THE ISSUE PRICE OF RS. 31/- IS 3.1 TIMES OF THE FACE VALUE

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED, IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE "ISSUE PROCEDURE" ON PAGE 202 OF THE DRAFT PROSPECTUS.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 32 of the Companies Act, 2013. For details in this regard; specific attention is invited to "Issue Procedure" on page 202. A copy of the Prospectus will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.

### RISKS IN RELATION TO THE FIRST ISSUE

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

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the statement of 'Risk Factors' given on page 24 under the section 'General Risks'.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

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

### LEAD MANAGER TO THE ISSUE

### REGISTRAR TO THE ISSUE



BEETAL

#### FIRST OVERSEAS CAPITAL LIMITED

1-2 Bhupen Chambers, Dalal Street, Fountain, Mumbai – 400 001, Maharashtra, India

Tel. No.: +91 22 4050 9999

Fax No.: +91 22 4050 9900

Email: [satish@focl.in](mailto:satish@focl.in) / [mala@focl.in](mailto:mala@focl.in)

Investor Grievance Email: [investorcomplaints@focl.in](mailto:investorcomplaints@focl.in)

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

Contact Person: Mr. Satish Sheth / Ms. Mala Soneji

SEBI Registration No: INM000003671

#### BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi-110062, India

Tel. No.: 011-29961281-83/26051061/26051064

Fax No.: 011-29961284

Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com) / [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

Investor Grievance Email: [investor@beetalfinancial.com](mailto:investor@beetalfinancial.com)

Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

Contact Person: Mr. Punit Mittal

SEBI Registration No.: INR000000262

### ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

*Notwithstanding the foregoing, the terms not defined but used in the chapters titled ‘Summary of the Offer Document’, ‘Risk Factors’, ‘Statement of Tax Benefits’, ‘Industry Overview’, ‘Business Overview’, ‘Key Regulations and Policies in India’, ‘Financial Statements’, ‘Outstanding Litigation and Material Developments’, ‘Issue Procedure’ and ‘Main Provisions of Articles of Association’ beginning on nos. 19, 24, 76, 79, 88, 102, 142, 172, 202 and 232 respectively, shall have the meanings ascribed to such terms in the respective sections.*

#### I. CONVENTIONAL / GENERAL TERMS

Amanaya Ventures Limited/ AMANAYA / AVL / The Company/ Company/ We/ Us/ Our/ our Company/ the Issuer Company	Unless the context otherwise indicates or implies refers to Amanaya Ventures Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended with its registered office at 69-70, First Floor, Deep Complex, Court Road, Amritsar- 143001, Punjab, India.
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TERM	DESCRIPTION
AGM	Annual General Meeting.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
Articles / Articles of Association /AoA	Unless the context otherwise requires, refers to the Articles of Association of <b>Amanaya Ventures Limited</b> , as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
Auditors/ Statutory Auditors/ Statutory Auditors of the Company	The Statutory & Tax Auditors of our Company, being Manoj Mahajan & Associates, Chartered Accountants.
Board of Directors / Board / Director(s) / Our Board	The Board of Directors of our Company, including all duly constituted Committee(s) thereof.
Chief Financial Officer	Chief Financial Officer of our Company in this case being, Mr. Manan Mahajan.
Company Secretary & Compliance Officer	Company Secretary & Compliance Officer of our Company is Mrs. Gurpreet Kaur.
Director(s)	Director(s) of our Company unless otherwise specified.
Equity Shares/ Shares	Equity Shares of our Company having a face value of Rs. 10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity shares of our Company unless otherwise specified in the context otherwise.
ESOP	Employee Stock Option.
FV	Value of paid-up Equity Capital per Equity Share, in this case Rs. 10/- each.
Group Companies	In terms of SEBI ICDR Regulations, the term “Group Companies” includes companies (other than our Promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, Such entities as are included in the Chapter in ‘ <b>Our Group Companies / Entities</b> ’ beginning on page 139 of this Draft Prospectus.
Independent Director	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013. For details, please refer to the

TERM	DESCRIPTION
	chapter titled “ <i>Our Management</i> ” beginning on page no. 118 of this Draft Prospectus.
Key Managerial Personnel / KMP	The personnel are listed as Key Managerial Personnel our Company as per Section 2(51) of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR), Regulation, 2018 and as identified in the chapter titled ‘ <i>Our Management</i> ’ beginning on page 118 of this Draft Prospectus.
Managing Director	Managing Director of our Company in this case being, Mrs. Rajni Mahajan.
Materiality Policy	The policy adopted by our Board on July 06, 2022 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Non- Resident	A person resident outside India, as defined under FEMA Regulations.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted on July 25, 2022 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 118 of this Draft Prospectus.
NRI/Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	The Peer Review Auditors of our Company, being Bharat Gupta & Co., Chartered Accountants.
Promoter/ Promoters of our Company	The Promoter of our Company is Mr. Manan Mahajan.
Promoter Companies/ Promoter Group	Unless the context otherwise requires, refers to such persons and entities constituting the Promoter Companies/ Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed in ‘ <i>Our Group Companies / Entities</i> ’ beginning on page 139 of this Draft Prospectus.
Registered Office	The Registered Office of our Company which is located at 69-70, First Floor, Deep Complex, Court Road, Amritsar-143001, Punjab, India.
Registrar of Companies	1 <sup>st</sup> Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, Chandigarh-160019, Punjab, India.
Restated Financial Statements	The financial information of the Company which comprises of the restated statement of assets and liabilities, Profit and Loss and Cash Flows as at March 31, 2022, 2021, and 2020 and the related notes, schedules and annexures thereto included in this Draft Prospectus, which have been prepared in accordance with Section 133 of the Companies Act, 2013, and restated in accordance with the SEBI ICDR Regulations.
SME Exchange	Unless the context otherwise requires, refer to the BSE SME, SME Platform of BSE.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board as described in “ <i>Our Management</i> ” beginning on page no. 118 of this Draft Prospectus.
Whole-Time Director	Whole-Time Director of our Company in this case being, Mr. Manan Mahajan.
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

#### ISSUE RELATED TERMS

TERM	DESCRIPTION
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allot / Allotment / Allotment of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares pursuant to the issue to the successful Applicants.
Allocation / Allocation of Equity Shares	Unless the Context otherwise requires, the allocation of Equity Shares pursuant to this Issue to successful Applicants.

TERM	DESCRIPTION
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee`s	The successful applicant to whom the Equity Shares are/ have been allotted.
Applicant(s)	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Intermediary Collecting	1) an SCSB, with whom the bank account to be blocked, is maintained. 2) a syndicate member (or sub-syndicate member), 3) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker"), 4) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity), 5) a registrar to an Issue and share transfer agent('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Form	The form in terms of which the prospective Applicants shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by all applicants to make a Bid authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB and will include amounts blocked by RIIs using UPI Mechanism.
ASBA Account	Account maintained by an ASBA Applicants with an SCSB which will be blocked by such SCSB to the extent of the Application Amount.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form.
ASBA Application	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Draft Prospectus.
Banker(s) to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled " <b>General Information</b> " beginning on page 44 of this Draft Prospectus.
Banker(s) to the Issue/ Escrow Collection Bank(s)/Public Issue Bank/ Refund Banker	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom Escrow Account will be opened and in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue in consultation with the Stock Exchange which is described in the Chapter titled ' <b>Issue Procedure</b> ' beginning on page 202 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the Stock Exchange.
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
BSE SME	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by

TERM	DESCRIPTION
	SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manage, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Collection Centres	Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Demographic Details	The demographic details of the Applicants such as their Name, Address, Pan, Occupation, Applicant Status and Bank Account details and UPI (If applicable).
Depository/Depositories	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/DP	A Depository Participant as defined under the Depositories Act, 1996, as amended from time to time.
Designated CDP Location	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange.
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Issue Account or unblock such amounts, as appropriate in terms of the Prospectus.
Designated Intermediaries/ Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker / Market Maker	In our case, [●]
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange/ SE	SME Platform of the BSE Limited (BSE)- BSE SME
Draft Prospectus	The Draft Prospectus dated September 05, 2022 issued in accordance with section 26 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulation, 2018 as amended from time to time.
Escrow Agreement	Agreement dated [●] entered in to amongst our Company, Lead Manager and the Registrar, the Banker(s) to the Issue/ Escrow Collection Bank(s) for collection of the Application Amounts from the ASBA Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Eligible NRIs	NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Reconstitutes an invitation to subscribe to the Equity Shares offered herein.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFI	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialised accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI FPI Regulations.
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as



TERM	DESCRIPTION
	Banker(s) to the Issue/ Escrow Collection Bank(s) at which bank(s) the Escrow Account of our Company will be opened, in this case being [●].
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered to with SEBI under applicable laws in India.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no.(SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and circular no.(SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM.
Issue / Issue Size/ IPO/Initial Public Issue/Public Issue	Public Issue of 12,00,000 equity shares of Rs. 10/- each fully paid of Amanaya Ventures Limited (“AVL” or “the Company” or “the Issuer”) for cash at a price of Rs. 31/- Per Equity Share aggregating to Rs. 375.00 Lakhs. The Net Issue will constitute 30.38% of the post issue paid up capital of the Company
Issue Agreement/ MoU	The agreement dated August 13, 2022 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The Issue period shall be [●], being the Issue Opening Date, to [●], being the Issue Date.
Issue Closing Date	[●], the Date on which Issue closes for subscription
Issue Opening Date	[●], the Date on which Issue opens for subscription
Issue Price	The price at which the Equity Shares are being Issued by our Company under this Draft Prospectus being Rs. 31/- per equity share.
LM / Lead Manager	Lead Manager to the Issue, in this case being First Overseas Capital Limited, SEBI Registered Category I Merchant Bankers.
Listing Agreement with BSE-SME Platform of BSE	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE.
Lot Size	The Market lot and Trading lot for the Equity Share is 4,000 and in multiples of 4,000 thereafter; subject to a minimum allotment of 4,000 share to the successful applicants .
Market Making Agreement	Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker/MM	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved portion of 64,000 Equity Shares of Rs. 10/- each at Rs. 31/- Per Equity Shares aggregating to Rs. 19.84 Lakhs for Market Maker in the Initial Public Issue of Amanaya Ventures Limited.
MinimumPromoter‘ Contribution	Aggregate of 20 % of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter of 20% and locked-in for a period of three years from the date of

TERM	DESCRIPTION
	Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpis&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpis&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual Fund(s)/ MF	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Net Proceeds	The Issue (excluding the Market Maker Reservation Portion) of 11,36,000 Equity Shares of Rs. 10/- each of Amanaya Ventures Limited at Rs. 31/- Per Equity Share aggregating to Rs. 352.16 Lakhs.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
Non-Institutional Investors/ Applicants/NIIs	All Applicants (including Category III FPIs which are foreign corporate or foreign individuals but not including NRIs, other than eligible NRIs) that are not Qualified Institutional Buyers (QIBs)(including Anchor Investors or Retail Individual Applicants/Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
Non-Indian Resident/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulation, as amended from time to time.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the ROC in accordance with Section 26 of the Companies Act, 2013 and SEBI (ICDR), Regulations containing inter alia, the Issue opening and Issue closing dates and other certain information.
Public Issue Account	Account opened with Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	A Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI (ICDR), Regulations, 2018.
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made.
Refund Bank(s)	The Bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals.
Registrar Agreement	The agreement dated August 01, 2022 between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issue by SEBI.
Registrar/ Registrar to the Issue	Registrar to this Issue being Beetal Financial & Computer Services Private Limited bearing registered office at Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi-110062, India.

TERM	DESCRIPTION
Retail Individual Investors/ RIIs	Individual investors, or minors applying through their natural guardians (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than or equal to Rs. 2,00,000/-.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
Self-Certified Syndicate Banks/ SCSB	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
SCSB Agreement	The deemed agreement between the SCSBs, the Lead Manager, the Registrar to the Issue and our Company, in relation to the collection of Applications from the ASBA Applicants and payment of funds by the SCSBs to the Public Issue Account.
SME Platform of BSE	The SME Platform of BSE, i.e., BSE SME for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
Specified Locations	Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Issue in terms of applicable SEBI requirements and has been appointed by the Company in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●]
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Specified Securities	Equity Shares are being offered through this Draft Prospectus.
Sponsor Banker	The Banker(s) registered with SEBI which is 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 Applicants into the UPI, in this case being [●].
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters to the Issue	[●]
Underwriting Agreement	The Agreement dated [●] entered into between the Underwriters and our Company.
Unified Payments Interface/ UPI	UPI is an instant payment system developed by the NPCI.
UPI Circulars	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (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, and SEBI Circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 08, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI Application	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and Other than retail individual investors applying with an application size of more than Rs. 200,000 and up to Rs. 500,000 in the Other than Retail Investors category and applying under the UPI Mechanism. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April

TERM	DESCRIPTION
	5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to Rs. 500,000 shall use UPI and shall provide their UPI ID in the application formsubmitted with: (i) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (ii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iii) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked Bank Account	Account of the RIIs, applying in the offer using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.
UPI Mandate Request / Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment. 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, using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFi=yes&amp;intmid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFi=yes&amp;intmid=40</a> ) and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43</a> ) respectively, as updated from time to time
UPI Mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018
UPI PIN	Password to authenticate UPI transaction.
Willful Defaulter	Willful Defaulter is defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018, means a person or an issuer who or which is categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR), Regulations, 2018, working day means all days on which commercial banks in the city as specified in the offer document are open for business. - However, till Application / Issue closing date: All days other than 2 <sup>nd</sup> and 4 <sup>th</sup> Saturday of the month, Sunday or a public holiday; - Post Application / Issue closing date and till the Listing of Equity Shares: Working days shall be 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).

## ABBREVIATIONS

ABBREVIATIONS	FULL FORMS
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Funds as defined in and registered under SEBI AIF Regulations
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Bn	Billion
CAGR	Compounded Annual Growth Rate

ABBREVIATIONS	FULL FORMS
CAPEX	Capital Expenditure
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CII	Confederation of Indian Industry
CIN	Company Identification Number
CST	Central Sales Tax
Contract Act	The Indian Contract Act, 1872 as amended from time to time
COVID-19	Coronavirus disease 2019
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant 's Identity
DB	Designated Branch
DTC	Direct Tax Code, 2013
EBIDTA	Earning/Revenues from operations (net) less total expenses (expenses other than finance cost, depreciation and amortization)
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EOU	Export Oriented Unit
EPS	Earnings Per Share
ESOP	Employee Stock Option Plan
FCNR	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investor, as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2014, as amended from time to time and registered with the SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investor as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India
FTP	Foreign Trade Policy, 2009
FY/ Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI under applicable laws in India.
GAAP	General Accepted Accounting Principles
GDP	Gross Domestic Product
GFSR	Global Financial Stability Report
GoI/ Government	Government of India
GST	Goods and Services Tax Act, 2017
HNI	High Networth Individuals
HR	Human Resources
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
ICDR/ ICDR Regulations/ SEBI ICDR/ SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018 as amended, including instructions and clarifications issued by SEBI from time to time.
ICSI	Institute of Company Secretaries Of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IMPS	Immediate Payment Service
IPR	Intellectual Property Rights
IRDA	Insurance Regulatory and Development Authority

<b>ABBREVIATIONS</b>	<b>FULL FORMS</b>
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/Rs./Rupees/ `	Indian Rupees, the legal currency of the Republic of India
JV	Joint Ventures
Km	Kilometres
KMP	Key Managerial Personnel
LM	Lead Manager
LMT	Lakh Metric Tonnes
Ltd	Limited
MB	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time.
MD	Managing Director
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MICR	Magnetic Ink Character Recognition
Mkt.	Market
Mn	Million
MOA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSP	Minimum Support Price
N.A./ n.a.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non- Banking Finance Company
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
No.	Number
NPCI	National payments Corporation of India
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/ Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PE	Private Equity
PE Ratio	Price/ Earning Ratio
PIO	Persons of Indian Origin
POA	Power of Attorney
PPE	Personal Protective Equipment
Pvt.	Private
Pvt. Ltd.	Private Limited
QFI	Qualified Foreign Investors
QIB	Qualified Institutional Buyers
RBI	The Reserve Bank of India
R & D	Research and Development
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.

<b>ABBREVIATIONS</b>	<b>FULL FORMS</b>
Sec.	Section
Securities Act	The U.S. Securities Act as amended from time to time
SEZ	Special Economic Zone
SGST	State GST
SME	Small and Medium Enterprise
SSI Undertakings	Small Scale Industrial Undertakings
STT	Securities Transaction Tax
TIN	Tax Identification Number
TAN	Tax Deduction and Collection Account Number
TRS	Transaction Registration Slip
TNW	Total Net Worth
UIN	Unique Identification Number
u/s	Under Section
UPI	Unified Payment Interface
US/ United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
Venture Capital Fund(s)/ VCF(s)	Venture Capital Funds as defined and registered with SEBI under Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
VAT	Value Added Tax
WDV	Written Down Value
WEO	World Economic Outlook
w.e.f.	With Effect From
WTD	Whole Time Director
WTO	World Trade Organization
YoY	Year over year

#### **TECHNICAL/ INDUSTRY RELATED TERMS**

<b>TERM</b>	<b>DESCRIPTION</b>
AI	Artificial Intelligence
AIDef	AI in Defence
BDR	Bullion Deposit Repository
CAD	Current Account Deficit
CEPA	Comprehensive Partnership Agreement
CPI	Consumer Price Index
DPIIT	Department for Promotion of Industry and Internal Trade
FTAs	Free Trade Agreements
GM	Gram
IIBX	India International Bullion Exchange
IISR	Indian Institute of Spices Research
IIP	Index of Industrial Production
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
PE-VC	Private equity-venture capital
PLI	Productivity Linked Incentive
WEO	World Economic Outlook
WGC	World Gold Council

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “**Amanaya Ventures Limited**” and/or “AVL” and/or “Amanaya”, unless the context otherwise indicates or implies, refers to **Amanaya Ventures Limited**.

All references in this Draft Prospectus to “India” are to the Republic of India. All references in the Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America. Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

### Financial Data

Unless stated otherwise, the financial data which is included in this Draft Prospectus is derived from our restated/ audited financial statements for the financial years ending on March 31, 2022, 2021 and 2020 prepared in accordance with Indian GAAP, Accounting Standards, the Companies Act, 2013 (Such provisions of the Companies Act, 1956 which were in force as on date) and restated financial statements of our company prepared in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled ‘*Financial Statements*’ beginning on page 142 of this Draft Prospectus.

Our Financial Year commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the following year, so all references to a particular Financial Year are to the (12) twelve-month period ended March 31<sup>st</sup> of that year. In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. Further, figure represented in the BRACKET or with the sign “ - ” indicates NEGATIVE data in this Draft Prospectus in relation to our Company and Industries. 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, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS 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 this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices/ Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the chapters titled ‘*Risk Factors*’, ‘*Business Overview*’ and ‘*Management's Discussion and Analysis of Financial Conditions and Results of Operations*’ beginning on page 24, 88 and 165 respectively, of this Draft Prospectus and elsewhere in this 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 SEBI ICDR Regulations.

### Currency and Units of presentation

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

- ‘Rupees’ or ‘Rs.’ or ‘INR’ or ‘₹’ 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.

All references to the word “Lakh/Lakhs or Lac” means “One Hundred Thousand”, the word “Crore/Crores” means “Hundred Lakhs”, the word “Million (million) or Mn” means “Ten Lakhs”, the word “Crores” means “Ten Million” and the word “Billion (bn)” means “One Hundred Crores”.

### Industry and Market Data

Unless stated otherwise, industry data used throughout this 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 this 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.

## FORWARD LOOKING STATEMENT

All statements contained in this 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 this Draft Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this 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.

These forward-looking statements can generally be identified by words or phrases such as “will”, “may”, “aim”, “is likely to result”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could significantly affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results to differ materially from our expectations include but are not limited to the followings:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to successfully implement our growth strategy and expansion plans, technological initiatives, and to launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to respond to technological changes;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel and the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- General social and political conditions in India which have an impact on our business activities or investments;
- Potential mergers, acquisitions restructurings and increased competition;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to finance our business growth and obtain financing on favorable terms;
- Our ability to manage our growth and to compete effectively, particularly in new markets and businesses;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled ‘*Risk Factors*’, ‘*Business Overview*’ and ‘*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*’ beginning on page 24, 88 and 165, respectively of this Draft Prospectus.

Forward looking statements reflects views as of the date of this Draft Prospectus and not a guarantee of future performance. By their nature, certain risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, our Directors nor the Lead Managers, nor any of their respective affiliates or associates have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until the listing and trading permission is granted by the Stock Exchange(s).

## SECTION II – SUMMARY OF THE ISSUE DOCUMENT

### Summary of our Business

Our Company was originally incorporated as Amanaya Financial Services Private Limited on February 27, 2009 under the Companies Act, 1956 vide certificate of incorporation issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. Subsequently the name of the company was changed from “Amanaya Financial Services Private Limited” to “Amanaya Ventures Private Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extraordinary General Meeting held on September 14, 2015 and had obtained fresh certificate of incorporation dated September 16, 2015 issued by the Assistant Registrar of Companies, Chandigarh. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated October 09, 2015 and the name of our Company was changed to “Amanaya Ventures Limited” to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Chandigarh dated October 15, 2015. The CIN of the Company is U51101PB2009PLC032640.

Our company has completed its amalgamation with its associate company i.e. Midland Services Limited in the F.Y. 2019-20. The amalgamation of the Midland Services Limited into our Company inter-alia resulted in the alignment of businesses of the Midland Services Limited and our Company as both the Companies were in the same line of business thereby resulted in rationalization and standardization of the business processes, economies of scale, reduction in overheads, administrative, managerial and other expenditure, organizational efficiency, and optimal utilization of resources which was beneficial for all members and other stakeholders.

It provides significant impetus to the growth in the form of optimum utilization of various recourses with reduction in overheads, administrative costs, managerial and other expenditure, provide holistic services, appropriate channelization of synergies, direct operational efficiencies and consolidated revenue and profitability.

Our Company was formed with the objective of promoting SPOT buying and selling of Gold across India. We are bullion traders, specializing in bars and coins of various sizes and weights of Gold and Silver and offer wholesale delivery of bullion to domestic users i.e. ornament manufacturers, goldsmiths, jewellers and semi wholesalers as well as individual customs. Our Company is a member of “Indian Bullion and Jewellers Association Ltd” and “Federation of Indian Export Organisations”.

We have changed the way the customers buy or sell the gold and silver. We have developed an app Aurel Bullion which is available at the play store which provides digital platform to buy and sell 24k Gold and Silver bars and coins to retail as well as the wholesale customers at a lowest possible price in an easy, simple and a transparent manner. We have also developed an E-commerce Portal, [www.aurelbullion.com](http://www.aurelbullion.com) specifically for the retail customers in order to enable them to purchase 24k Gold and Silver bars and coins and provide to our B2B and B2C clients the Antique Jadau Jewellery which is being manufactured at Amritsar, Punjab. Our Product Portfolio offers a mainly 24K Gold and Silver Bars and Coins according to customer specifications and in standard sizes and weights.

We also offer the Aurel Gold Purchase Plan for our retail customers in order to enable them to purchase physical gold in the smaller quantities in transparent, convenient and costeffective manner. We have developed our brand name “Aurel Bullion” over the years that provides us with the advantage of the customers relying on the quality of the product. All of our gold jewellery is hallmarked by BIS except gold jewellery weighing less than two grams which is not required to be hallmarked.

We deal in the products which are of international standards in terms of purity. One of our strengths is that we practice fair dealings in our transactions and provide quality products. This has enabled us to get repeat orders from our existing customers and attract new customers; we believe that an intricacy of our quality products enables us to get better margins on the products traded by us and develop long term relations.

We believe that we are one of the reputed names in trading of bullion (Gold & Silver) in Amritsar and Punjab with a strong client base. Our founder and one of the Promoters viz. Mr. Manan have more than 8 (eight) years of experience in field of trading of Bullion market. Further, our Promoter, Mr. Manan has been in Bullion market for more than 8 (eight) years and enjoys goodwill. He has rich experience of over Bullion business, Commodities, finance and other compliances.

For more information on our Company’s business, please refer to chapter titled “**Business Overview**” on page no. 88 of this Draft Prospectus.

### **Summary of our Industry**

India is one of the largest markets for gold, and growing affluence is driving growth in demand.

Gold has a central role in the country’s culture, considered a store of value, a symbol of wealth and status and a fundamental part of many rituals. Among the country’s rural population, a deep affinity for gold goes hand in hand with practical considerations of the portability and security of jewellery as an investment. Gold is considered to be auspicious, particularly in Hindu and Jain cultures. The ancient law-giver Manu decreed that gold ornaments should be worn for important ceremonies and occasions. Aside from Diwali, one of the most important dates in the Indian calendar, regional festivals across the country are celebrated with gold: in the south, Akshaya Tritiya, Pongal, Onam and Ugadi; in the east, Durga Puja; in the west, GudiPavda; in the north, Baisakhi and Karva Chauth. Gold is central to more personal life events too. Gifting gold is a deeply ingrained part of marriage rituals in Indian society—weddings generate approximately 50 percent of annual gold demand in India.

### **Bar and coin**

Retail investment totalled 282t in Q1. This was 20% weaker than Q1’21, although the y-o-y comparison is affected by the fact that investment in the year-earlier period was very strong. From a longer-term perspective, investment demand remains healthy: 11% higher than the five-year quarterly average of 254t.

Bar and coin investment was mixed across markets. The sharp rise in the US\$ gold price did not quite reach the 2020 record, but foreign exchange movements meant that local prices in a number of currencies were at or close to new historical highs. This generated profit-taking in some markets, notable examples being Turkey and Japan, and this outweighed continued safe-haven investment elsewhere.

For detailed information on the industry, please refer to chapter titled “**Industry Overview**” beginning on page no. 79 of this Draft Prospectus.

### **Names of the Promoters**

As on date of this Draft Prospectus, our Promoter is Mr. Manan Mahajan.

### **Size of the Issue**

This is the Fresh Issue of 12,00,000 Equity Shares for cash at a price of Rs. 31.00 per Equity Share (including a share premium of Rs. 21.00 per Equity Share) aggregating up to Rs. 372.00 Lakhs.

### **Objects of the Issue**

<b>(Rs. In Lakhs)</b>		
<b>Sr. No.</b>	<b>Objects of the Issue</b>	<b>IPO Proceeds</b>
1.	To meet the Working Capital requirements	250.00
2.	General Corporate Expenses	86.00
3.	To meet the expenses of the Issue	36.00
	<b>Total</b>	<b>372.00</b>

For detailed information on the “*Objects of the Issue*”, please refer to chapter titled “*Objects of the Issue*” on page no. 69 of this Draft Prospectus.

**Offer For Sale**-There is no Offer for Sale as Our Company is making only a Fresh Initial Public Offer/Issue.

For detailed information on the “**Objects of the Issue**”, please refer to chapter titled “**Objects of the Issue**” on page no. 69 of this Draft Prospectus.

**Pre-Issue Shareholding of the Promoter and Promoter Group as a Percentage of the Paid-Up Share Capital of the Company.**

The aggregate shareholding of Our Promoter and Promoter Group before the Issue is set forth below:

Category of Promoter	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoter	12,72,705	50.13
2. Promoter Group	2,45,608	9.67

For further details relating to the allotment of Equity Shares to our Promoters and Promoter Group members, please refer to the chapter titled ‘*Capital Structure*’ beginning on page no. 56 of this Draft Prospectus.

**Summary of Restated Financial Statement**

The following tables set forth details the financial information as per the Restated Audited Financial Statements for the financial year ended on March 31, 2022, 2021 and 2020.

For detail information, please refer to the chapters and notes mentioned therein titled ‘*Financial Statement*’ and ‘*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*’ beginning on page no. 142 and 165 respectively of this Draft Prospectus.

(Amount in Rs)

Particulars	For the Financial Year ended on March		
	2022	2021	2020
Share Capital	2,38,00,000	96,77,210	96,77,210
Net Worth	1,96,74,517	1,86,02,491	1,84,90,580
Total Revenue from operations	13,25,16,419	6,20,15,502	4,45,84,945
Profit after Tax	7,63,180	1,11,911	12,971
EPS (in Rs.)- Basis & Diluted	0.32	0.12	0.01
NAV per equity share (in Rs.)	8.27	19.22	19.11
Total borrowings (as per restated balance sheet)	4,93,169	-	-

**Auditors’ Qualifications which have not been given effect to in the Restated Financial Statements**

Independent Auditor’s Report on Restated Financial Statements is issued by Bharat Gupta & Co., Chartered Accountants, contains following Qualifications.

The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditors.

**Summary of the Outstanding Litigations**

For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Companies, please refer chapters titled “*Outstanding Litigation and Material Developments*” and “*Risk Factors*” on page no. 172 and 24, respectively, of this Draft Prospectus.

## Risk Factors

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Draft Prospectus and are advised to read the section titled “**Risk Factors**” beginning on page no. 24 of this Draft Prospectus, including the risks and uncertainties, before making/taking an investment decision in our Equity Shares.

In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said chapter are relevant to the industries our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries.

For further details, please refer to the Section titled “**Risk Factors**” beginning from page no. 24 of this Draft Prospectus.

## Summary of Contingent Liabilities

For detailed information on the Contingent Liabilities on our Company, please refer “**Annexure VIII: Statement of Contingent Liabilities**” appearing under the Chapter titled “**Financial Information**” beginning on Page no. 142 of this Draft Prospectus.

## Summary of Related Party Transactions

For detailed information on the Related Party Transaction on our Company, please refer “**Annexure X: Statement of details of Related Party Transactions**” appearing under Chapter titled “**Financial Information**” beginning on Page no. 142 of this Draft Prospectus.

## Details of Financing Arrangements

The Promoters, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our company 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 filing of this Draft Prospectus.

## Cost of Acquisition of Shares & Weighted Average Cost of the Shares Acquired by our Promoters

The weighted average price of the equity shares acquired by our Promoter within last one (1) year from the date of filing of this Draft Prospectus are set forth below:

Name of Promoter	No. of equity share Acquired within the last one year	Weighted Average Price (in Rs.)*
Mr. Manan Mahajan	7,70,234	0.42

\*As certified by Manoj Mahajan & Associates., Chartered Accountants, by way of their certificate dated September 02, 2022.

## Average Cost of Acquisition of Shares

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

Name of Promoter	No. of equity share held	Average cost of acquisition (in Rs.)*
Mr. Manan Mahajan	12,72,705	1.90

\*As certified by Manoj Mahajan & Associates., Chartered Accountants, by way of their certificate dated September 02, 2022.

**Pre-IPO Placement**

Our Company has not placed any Pre-IPO Placement as on date of filing this Draft Prospectus.

**Equity Shares issued for Consideration Other Than Cash**

Other than as disclosed in “*Capital Structure*” on page 56 of this Draft Prospectus; no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Draft Prospectus.

**Split / Consolidation of Equity Shares**

Our Company has not done any split or consolidation of Equity Shares during the last one year from the date of filing this Draft Prospectus.

**Exemption from SEBI**

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

### SECTION III – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*This 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 this Draft Prospectus. These risks are not the only ones that our Company faces. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

*To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled '**Business Overview**' and '**Management's Discussion and Analysis of Financial Conditions and Results of Operations**' beginning on page 88 and 165 respectively, of this Draft Prospectus as well as the other financial and statistical information contained in this Draft Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled '**Financial Statements**' beginning on page 142 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations.*

#### **Materiality**

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

- 1. Some events may not be material individually but may be material when considered collectively.*
- 2. Some events may have material impact quantitatively.*
- 3. Some events may have an impact which is qualitative though not quantitative.*
- 4. Some events may not be material at present but may have a material impact in the future.*

#### **Note:**

*The risk factors are as envisaged by the management along with the proposals to address the risk, if any. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "**Definitions and Abbreviation**" beginning on page 5 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*In this Draft Prospectus, any discrepancies in any table between total and 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.

## INTERNAL RISK FACTORS

### Risks relating to Our Company and Business

- 1. Our Company, Directors and Promoter are party to certain litigation and claims. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition**

There are certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. For the details of the cases please refer the chapter titled “Outstanding Litigations and Material Developments” beginning on page no. 172 of this Draft Prospectus A summary of the pending civil and other proceedings involving along with the amount involved, to the extent quantifiable of Our Company is provided below:

Nature of Cases	Number of Cases	Total Amount Involved (Rs. In Lacs)
<b>Proceedings against our Company</b>		
Civil	NIL	N.A
Criminal	NIL	N.A
Tax <sup>^</sup>	1	Not ascertainable
<b>Proceedings by our Company</b>		
Civil	1	3.67
Criminal	NIL	N.A
Tax	NIL	N.A
<b>Proceedings against our Directors</b>		
Civil	NIL	N.A
Criminal	NIL	N.A
Tax <sup>^</sup>	1	Not ascertainable
<b>Proceedings by our Directors</b>		
Civil	NIL	N.A
Criminal	NIL	N.A
Tax	NIL	N.A
<b>Proceedings against our Promoter</b>		
Civil	NIL	N.A
Criminal	NIL	N.A
Tax	NIL	N.A
<b>Proceedings by our Promoter</b>		
Civil	NIL	N.A
Criminal	NIL	N.A
Tax	NIL	N.A

<sup>^</sup> Our Company and the Directors have received an Income Tax Scrutiny Notice vide DIN: ITBA/AST/S/143(2)/2021-22/1033771051(1) Dated 29/06/21 and the proceedings of which is still in progress and the matter has been reported by the Statutory Auditor in audited financials FY21 as required by the Companies (Auditor’s Report) order, 2020 in terms of the sub Section (11) of Section 143 of the Act.

- 2. Our registered office, shop and Branch office are located in northeast of central Amritsar and Ahemdabad. Any adverse development affecting such region may have an adverse effect on our business, prospects, financial condition and results of operations.**

Our registered office, Shop and Branch Office are located in northeast of central Amritsar and Ahmedabad. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the states or local governments in this region could adversely affect operations at our shop. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or diseases heightened or particular to the region, may adversely impact the supply of products, local transportation and operations at our offices and shop. Any such adverse development could result in significant loss from inability to meet inventory schedules and stock our shops appropriately, which could materially affect our business reputation within the industry. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially and adversely affect our business, profitability and reputation.

- 3. We have appointed Bharat Gupta & Co., Chartered Accountants as Peer Reviewed Auditor for the purpose of this Issue. However Manoj Mahajan & Associates, Chartered Accountants are the current Statutory Auditor of the Company who is not in possession of the Peer Review Certificate.***

We believe that listing will give more visibility and enhance corporate image of our Company. We also believe that our Company and shareholders will receive the benefits from listing of Equity Shares on the SME Platform of BSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company and for going to public we have appointed Bharat Gupta & Co., Chartered Accountants as Peer Reviewed Auditor for the purpose of this Issue. However Manoj Mahajan & Associates, Chartered Accountants are the current Statutory Auditor of the Company who is not in possession of the Peer Review Certificate that may have an impact which is qualitative though not quantitative. However for compliance of LODR in future, the peer reviewed auditor shall be appointed.

- 4. The COVID-19 pandemic has had, and is expected to have, a material adverse effect on our business, financial condition, results of operations and cash flows.***

In late 2019, a novel strain of coronavirus (“COVID-19”) emerged and by March 11, 2020, it was declared a global pandemic by the World Health Organization. The spread of COVID-19 and the recent developments surrounding the global pandemic have had, and may continue to have, repercussions across local, national and global economies and financial markets. On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. While the recently commenced vaccination drive in India is a positive development, the COVID-19 pandemic has affected and is expected to continue to affect our business and operational performance in the near future. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, such as instituting quarantines, restricting travel, prohibiting people from assembling in heavily populated areas, issuing lockdown orders and restricting the types of businesses that may continue to operate, ‘stay-at-home’ orders, and enforcing remote working regulations. These measures have led to a significant decline in economic activities, and has had and is having an unprecedented effect and a significant negative impact on the global real estate industry. The impact of Coronavirus on the Indian real estate sector was stifling to the point that it brought property transactions to a near-halt when the nation went into a complete lockdown during both waves. Since then, the market has taken several strides towards recovery, and just when it seemed the revival was not far, the country is struck by another variant of the virus, Omicron. However, it is too early to predict whether the emerging variant will have repercussions on housing demand and sales or not. The impact of a new and alarming variant of the COVID-19, Omicron, on the real estate sector will be entirely dependent on the severity of the infection, and resultant announcement of lockdown/s. Health experts opine that while the Omicron variant does not seem to have manifested serious symptoms so far, nothing could be said conclusively till we have more data. The realty industry has not seen any immediate impact on site visits, new bookings and launches so far. But with Delhi Government announcing a yellow alert and UP resorting to a state-wide night curfew, we might be heading to an economic slowdown, once again. Omicron could lead to a continuation of the real estate trends reported during the previous two waves. Meanwhile, the new COVID-19 variant has raised concerns across the country, considering the spike in the

number of cases in metro cities, especially Delhi, Mumbai and Chennai. We have implemented certain measures and modified certain policies in light of the COVID-19 pandemic.

5. *We have issued Equity Shares during the past 1 year at a price below the proposed issue price prior to the date of filing the Draft Prospectus.*

Our Company has issued and allotted Equity Shares at a price which is below the issue price in the past 1 year prior to the date of filing the Draft Prospectus. The details of allotment are as follows:

Date of Allotment/ Transfer	No. of shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Nature of Consideration/ Allotment/ Acquired/ Transfer	% of the Paid-up Capital	
					Pre-Issue	Post-Issue
18-09-21	32,279	10/-	10/-	Cash	1.27	0.89
02-11-21	7,37,955	10/-	N.A.	Bonus	29.06	20.28

The price at which Equity Shares have been issued in the past 1 (one) year is not indicative of the price at which Equity Shares may be offered in the Issue or at the price at which they will trade upon listing. For further details, please refer to Section titled “*Capital Structure*” on page no. 56 of this Draft Prospectus.

6. *Our Company had negative cash flow during certain fiscal years; details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.*

(Rs. in Lakhs)

Particulars	As on March 31		
	2022	2021	2020
Net cash from (used in) Operating activities	38.89	(7.45)	(50.01)
Net cash from (used in) Investing activities	(10.01)	0.69	2.20
Net cash from (used in) Financing activities	7.59	(0.30)	(0.14)
<b>Net Cash Flow</b>	<b>36.47</b>	<b>(7.06)</b>	<b>(47.95)</b>

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. For further details please refer to the section titled “*Financial Statements*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page no. 142 and page no. 165 respectively of this Draft Prospectus.

7. *We have entered into certain related party transactions and may continue to do so.*

We have entered into related party transactions with our Promoters, its group members/ entities, Directors and other associates. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will continue to enter into related party transactions in the near future. For further details regarding the related party transactions, see the disclosure on related party transactions contained in the financial statements included in this Draft Prospectus and, also see the section “*Related Party Transactions*” beginning on page no. 140 of this Draft Prospectus.

8. *If we are unable to effectively manage our shop, attract new customers and operations or pursue our growth strategy through our digital platforms, our shops may not achieve our expected levels of profitability which may adversely affect our business prospects, financial condition and results of operations.*

We are engaged in bullion trading business and offer Gold and Silver bars and coins with 24K purity to our customers both through online platform i.e. Our App Aurel Bullion as well as through offline mode also. We also provide to our B2B and B2C clients the Antique Jadau Jewellery.

We have changed the way the customers buy or sell the gold and silver. We have developed an app Aurel Bullion which is available at the play store which provides digital platform to buy and sell 24k Gold and Silver bars and coins to retail as well as the wholesale customers at a lowest possible price in an easy, simple and a transparent manner. We have developed a bullion trading platform, i.e. an app “**Aurel Bullion**” available at play store enabling our customers to buy and sell bullion in convenient manner. For our retail customers we have developed an E-commerce website, i.e. [www.aurelbullion.com](http://www.aurelbullion.com), enabling them to buy Gold and Silver Bars and coins instantly and conveniently.

We believe in giving excellent service to our customers through latest technology, best quality of Metal, best understanding of market and best human relationship. You can buy Gold and Silver Bars and Coins in a single click from our Mobile app. We strongly believe in timely delivery, transparency and giving competitive rates. The Aurel Bullion mobile app can be downloaded free from Play store for Android based mobile phones.

All of our staff in our shops undergo training to ensure they are maintaining our brand standards and demonstrating our commitment to trust and transparency through technology, introduce bullion trading and newer jewellery collections, introduce an optimal mix of merchandise which successfully meets local customer preferences at attractive prices, negotiate and obtain favourable terms from our vendors, the effectiveness of our marketing campaigns and if we are not able to hire, train and retain skilled personnel and maintain the technology; the competition that we face from incumbent and new bullion traders in the region; and exposure to expropriation or other government actions; political, economic and social instability; our expanded operations or our growth strategy would be affected which may lead to operational and financial inefficiencies, which could have a material adverse effect on our business prospects, financial condition and results of operations or at all, our sales volume, expansion plans and our results of operations, financial condition and profitability may be materially and adversely affected, and we may decide to close some of them.

9. *We are dependent on third parties for the production, manufacturing and transportation of all of our products. Any disruptions at such third-party production or manufacturing facilities, or failure of such third parties to adhere to the relevant quality standards may have a negative effect on our reputation, business and financial condition.*

We procure our raw materials from reputed Gold Traders based at Amritsar, Delhi and Ahmedabad allows us to offer quality products at timely manner. Our access to local Jadau jewellery manufacturers allows us to offer quality and a diverse product range. We actively engage with such traders and manufacturers to ensure that the products are as per our specifications and suggested designs. This arrangement has been beneficial for us as we are able to successfully execute our orders on time and develop strong relationships with suppliers and customers and/ or get our bullion to be manufactured through independent job wokers located in Ahmedabad. These bullions are purchased at pre-agreed rates or flexible spot-rates linked to the prevailing market benchmark. However, we do not enter into any long-term agreements with our suppliers and our arrangements with them are on short-term and spot basis. Hence, there is no assurance that in future also we will be able to source our products on timely basis and execute our orders on time or find alternative resources to source our products. Further, if we are unable to source our products at commercially acceptable prices, or at all, it may affect our ability to fulfill our supply commitments, or to fulfill them in an economical manner, which will have an adverse effect on our business, financial condition and results of operations. Further, any unscheduled, unplanned or prolonged disruption of operations at our job-workers facilities, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence of equipment or manufacturing processes, non-availability of adequate labour or disagreements with workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could affect our vendors’ ability to meet our requirements, and could consequently affect our operations. We are also exposed to the risk of our job-workers failing to adhere to the standards set for them by us and statutory bodies in respect of quality, safety and

distribution which in turn could adversely affect our sales and revenues. While there have been no such instances in the past, there can be no assurance that there will not be such instances in the future.

Any delay or failure on the part of our job-workers to deliver the products in a timely manner or to meet our quality standards, or any litigation involving these job-workers may have a material adverse effect on our business, profitability, and reputation. Since we typically enter into product-specific purchase orders for manufacture, we may also be unable to replace these job-workers at short notice, or at all, and may face delays in production and added costs as a result of the time required to identify new job-workers may adversely affect our results of operations and financial condition. Our operations could be disrupted if we do not successfully manage relationships with our job-workers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. If our job-workers do not perform their contractual obligations, it could adversely affect our reputation, business, financial condition and results of operations. Logistics are handled by third party which is a secured logistics movement company. We book the order with the trader and book the shipment with transporter. Transporter moves the shipment from our supplier's premises to us and any disruption in between adversely affect our business operations, failing to adhere to the standards set for them by us and statutory bodies in respect of quality, safety and distribution which in turn could adversely affect our sales and revenues.

In addition, over the years “**Aurel Bullion**” has established itself as a renowned brand in Amritsar and the adjoining areas. Our brand name “**Aurel Bullion**” provides us with the advantage of the customers relying on the quality of the product. Over the years, through the customer centric approach, our core focus on maintaining the customer trust and transparency, has been rewarded and contributed towards brand recognition and customer loyalty. All of our bullion and gold jewellery is hallmarked by BIS except gold jewellery weighing less than two grams which is not required to be hallmarked and conducting sample tests on each new batch of products we receive from our manufacturers, there is no assurance that our quality control measures will be effective. If we receive negative publicity about the quality of our bullion or our manufacturers receive negative publicity, our reputation, business and results of operations could be adversely affected.

***10. Fluctuation in prices, non-availability or high cost of quality of gold and silver and other precious and semi-precious stones may have an adverse effect on our business, results of operations and financial condition.***

Timely procurement of materials such as gold and silver bullion, as well as the quality and the price at which they are procured, play an important role in the successful operation of our business. Gold and Silver used in our operations, particularly for bullions to be sold within India, is primarily sourced from nominated banks and bullion dealers. An increase in the price of gold and silver may result in an increase in our income from sales assuming such increases do not adversely affect sales volumes. However, a significant increase in the price of gold and silver or a negative outlook on future gold and silver, could, in the short term, adversely affect our sales volumes and increase our procurement costs.

Conversely, an increase in the price of gold and silver, could lead to a decrease in demand for particular bullion and/or a decrease in our profit margins. The prices and supply of these materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties. However, such increase has not resulted in an increase in our operational cost since any increases in the prices of raw materials are passed on to the customer. We cannot assure that we will be able to procure quality raw materials at competitive prices or at all. Further, any rise in gold and silver prices may cause customers to delay their purchases, thereby adversely affecting our business, operations and financial condition.

In addition, while we have arrangements with multiple suppliers, if for any reason, a large number of our suppliers of raw materials curtail or discontinue their delivery of such raw materials to us, in the quantities we need and at prices that are competitive, our ability to meet our material requirements for our operations could be impaired, our delivery schedules could be disrupted and our business and reputation may be adversely affected.

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

The Bullion trading sector is highly fragmented and competitive. Our Company would not only compete with organized players but also a high percentage of unorganized players at local, national and international levels. Some of them may offer better quality gold and silver at competitive prices and may be capable of providing more personalized services to each client due to the smaller number of orders placed with them. Further, these unorganized players offer their services at highly competitive prices having well established presence in their local markets. Aggressive discounting by competitors, including liquidating excess inventory, may also adversely impact our performance in the short term. This is particularly the case for easily comparable prices for gold and silver bars & coins, for similar quality gold and silver sold through wholesaler, retailers and other traders.

In addition, there are minimal entry barriers in this sector and hence they may also face competition from new entrants. Some of our employees, who have disassociated themselves from the Company, may also compete with our Company.

**12. *Our inability to identify customer demand accurately and maintain an optimal level of inventory may impact our operations net sales, profitability, cash flow and liquidity adversely.***

The success, continuous and smooth operations of our business is dependent on our ability to effectively manage our inventory, to receive the timely delivery of our finished products from our job workers, to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which could affect our ability to meet customer demand. Maintaining an optimal level of relevant inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our shop. Further, if our management misjudges the expected customer demand, it could adversely impact the results by causing either a shortage of merchandise or an accumulation of excess inventory.

**13. *Our Company doesn't own the premises where its registered office, Branch office and shop is situated, and lease & license agreement have been executed for the same. Any termination or dispute in relation to this lease/ rental agreement may have an adverse effect on our business operations and results thereof.***

Our Registered office and our shop is situated at 69, 70 Deep Complex, Court Road, Amritsar-143001, Punjab, India and B.O.: 1, Building 1904/X-8, Haveli Zamadar, Guru Bazar, Amritsar-143001, Punjab, India respectively and the Branch Office at Ahmedabad. Both our Shop and branch office are on rent basis. Our registered office is owned by the Promoter of our Company-Mr. Manan Mahajan with whom we have entered into a rent agreement dated 1-04-2022 for 60 months. Further, our Ahmedabad Branch office is also on rent basis and have entered into a rent agreement with the Lessor / Owner. For details on our Property, please refer to chapter titled "**Business Overview**" on page no. 88 of this Draft Prospectus. However, if the NOC is withdrawn or the agreement is terminated by either of the parties or upon expiry of the said agreement or increase in rent or any non-compliance, we may have to either vacate the Office and re-locate to another premises or agree to pay the extra amount for using the same premises. Further, increase in rent structure will lead to increase of our expenditure which in turn will lead to decrease of revenue and increase of operational cost. Also, searching for the suitable location, setting the shops from the scratch and relocating the inventory of our office may lead to loss of clients, reduction in sales thereby affecting our profitability.

**14. *Our business experiences an increase in sales during the festive, wedding season and other significant seasons. Any substantial decrease in our sales during such periods and our inability cope up with our service during this time, then our revenues and profitability will be affected and have a negative effect on our image and brand.***

Our business has experienced significant increase in our sales during the festive, wedding season and other significant seasons like Christmas, Diwali season, GudiPadwa, Dhanteras etc. Any significant shortfall in sales or our inability to cope up with the growing demands during these periods, would affect our profitability and we would experience adverse effect on our results of operations.

- 15. Any change in our consumer's likes, preferences or a change in their perception regarding the quality of our products may negatively affect the image and our reputation and in turn affect our revenues and profitability.**

The industry in which we operate is highly competitive and where goodwill and reputation are of huge significance. Changes in consumer's likes, preferences, design & quality of our products is an ever changing factor. If we are not able to meet this ever changing demand at best price, it will negatively affect the image and reputation of our company. Further, such incidences may expose our Company to liabilities and claims, adversely affect our reputation, growth, profitability thereby reducing our market share and leading to higher inventory costs.

- 16. If we fail to cost-effectively turn existing customers into repeat customers or to acquire new customers, our business, financial condition, and results of operations would be harmed.**

The growth of our business is dependent upon our ability to continue to grow by cost-effectively turning existing customers into repeat customers and adding new customers. Although we believe that many of our customers originate from word-of-mouth and other non-paid referrals, we expect to continue to acquire additional customers, all of which could impact our overall profitability. If we are not able to continue to expand our customer base or fail to retain customers, our net sales may grow more slowly than expected or decline. Our ability to attract new customers and increase net sales from existing customers also depends in large part on our ability to enhance and improve our existing products and to introduce new products and services that appeal to the customers, in each case, in a timely manner. We also must be able to identify and originate trends, as well as anticipate and react to changing consumer demands in a timely manner. The success of new products and services depends on several factors, including their timely introduction and completion, sufficient demand, and cost effectiveness. While we expect improvements in the performance of our business and operations, any flaws or dissatisfaction with the quality, pricing of products, or changes we make to our products and services or our inability to provide high-quality support to customers or help resolve issues in a timely and acceptable manner, our ability to attract and retain customers could be adversely affected. If our number of customers declines or fluctuates for any of these or other reasons, our business would suffer and lead to negative publicity of our brand.

- 17. Industry information included in this Draft Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.**

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.

- 18. Client contracts are generally of a short duration and contain termination provisions that could decrease our revenues and earnings. Certain of our client contracts can be terminated by our clients with limited or no notice or penalty, which could negatively impact our revenue and profitability.**

Most of our client contracts can be terminated by the client on short notice without penalty as majority of our client contracts are for a period of one year or less. Our clients, therefore, are not contractually obligated to

continue to do business with us in the future. This creates uncertainty with respect of revenues and earnings from our client contracts.

Our clients typically retain us on a non-exclusive, project-by-project basis. Many of our client contracts can be terminated by providing notice and without termination-related penalties. Additionally, most of our client contracts are typically limited to discrete projects without any commitment to a specific volume of business or future work. While we typically have carve-outs for force majeure events, many events, such as equipment failure and third-party vendors being unable to meet their underlying commitments to us, could impact our ability to meet our service level agreements.

Our business is dependent on the decisions and actions of our clients, and there are a number of factors relating to our clients that are outside our control that might result in the termination of a project or the loss of a client, including financial difficulties for a client; change in strategic priorities, resulting in a reduced level of spending on staffing solutions; a demand for price reductions; and a change in strategy by moving more work in-house or to our competitors. Therefore, our business may be adversely affected if any of our contracts are terminated by our clients at short notice.

***19. Our business is dependent on factors affecting consumer spending that are out of our control.***

Bullion Trading are discretionary and are often perceived to be an exercise in luxury. As a result, our business is sensitive to a number of factors that influence consumer spending. The price of bullions relative to other products, everyday household as well as luxury items, influences the conditions, consumer confidence in future economic and political conditions, economic slowdown or fears of economic slowdown, consumer debt, disposable consumer income, conditions in the housing market, consumer perceptions of personal well-being and security, fuel prices, inclement weather, interest rates, sales tax rate increases, inflation, and war or fears of war. In addition, we compete with other retail categories, for example electronics, travel, etc. for consumers' discretionary expenditure. Therefore, the price of bullions relative to other products influences the proportion of consumers' expenditure that is spent on bullions.

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

Our results of operations are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of merchandise or an accumulation of excess inventory. Further, if we fail to sell the inventory we Procure, we may be required to recycle our inventory, which would have an adverse impact on our income and cash flows.

***21. Significant portion of our sales is dependent on few of our seller. A loss of one or more such significant seller or a reduction in their sales, could adversely affect our financial condition thereby reducing our revenues.***

We are extensively dependent on a limited number of sellers for a significant portion of our income. During the period ended on March 31, 2022 our top 10 contributed around 91.77 % of our total revenue. The loss of one or more of these significant sellers or a reduction in the amount of business we obtain from them could have an adverse effect on our financial condition and result in reduction of our income. We cannot assure you that we will be able to maintain historic levels of business from our significant sellers or that we will be able to significantly reduce seller's concentration in the future. Furthermore, major events affecting our customers, such as bankruptcy, change of management, change in their country's policy and business framework, mergers and acquisitions, etc. could adversely impact our business. If any of our major customers becomes bankrupt or insolvent, we may lose some or all of our business from that customer and our receivable from that customer would increase and may have to be written off, adversely impacting our income and financial condition.



- 22. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

Our Company requires certain statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's, thereby having a material adverse effect on our business, results of operations and financial condition. Further, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Our Company requires the following statutory and regulatory registrations, licenses, permits and approvals for the business. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of the relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations. For further details, please see "**Key Industry Regulations and Policies**" and "**Government and Other Statutory Approvals**" beginning on page nos. 102 and 176 respectively of this Draft Prospectus.

- 23. *If any new products or brands that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.***

We currently operate under a single brand under which we sell i.e. "Aurel" of particular designs or type. We may launch additional brands in the future in order to effectively market a wider range of our products to our customers. However, we cannot assure you that any new products or sub-brands we launch will be successful or find traction with our customers, or that we will be able to recover costs we incurred in developing such products and brands. If the products and brands that we launch are not as successful as we anticipate, our brand equity may suffer and our business, results of operations and financial condition may be adversely affected. Further, such expanded product offerings place a strain on our management, operational and financial resources, as well as our information systems.

- 24. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for, which may have an adverse effect on our business, financial condition and thereby on our results of operations.***

We may encounter predicaments in executing the orders placed by our customer or executing it on a timely basis. Moreover, there are factors which may be beyond our control or in the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, which may result in the postponement of executing or delivering of the necessary product(s) or cause its cancellation. Further, even though we execute orders as placed by our customers, the order could be cancelled or there could be any changes in delivery of the products. Accordingly, it is difficult to predict with certainty if, when and to what extent the delivery of the orders placed will be made. Failure to deliver our orders on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our revenue, cost of operation and thereby our business functioning.

- 25. *If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.***

Recovery of our receivables and timely collection of client balances depends on our ability to complete our commitments and bill and collect our contracted revenues. If we are unable to meet our requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results

of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

**26. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**27. *Our Company may require additional capital resources to achieve our expansion plans and working capital requirements. If we are unable to generate sufficient cash flows to allow us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.***

Our business requires significant amount of working capital including fund requirement for payment for bulk purchases of various designed and trending jewellery and raw materials. Hence, major portion of our working capital is utilized towards debtors and inventory. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. However, if our management fails to manage our inventory or misjudges expected clients demand or shortage of materials/ products or an accumulation of excess inventory or accurately evaluate the credit worthiness of our clients, it may lead to bad debts, delays in recoveries and/or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Further, the rate of our expansion will depend to an extent on the availability of adequate debt and equity capital. Further, the actual expenditure incurred may be higher than current estimates owing to but not limited to, implementation delays or cost overruns. We may, therefore, primarily try to meet such cost overruns through our internal generations and in case if the same is not adequate, we may have to raise additional funds by way of additional term debt from banks/ financial institutions and unsecured loans, which may have an adverse effect on our business and results of operations.

**28. *Strong competition in the bullion sector could decrease the market share and compel the company to either reduce the cost charged or increase the payments made to the job workers. This may have an adverse impact on the enrolments, revenues and profitability.***

The bullion sector is highly fragmented and competitive. The Company would not only compete with organized players but also a high percentage of unorganized entities such as individual jewelers, retailer stores, jewellery showrooms and galleries and small scale companies. Some of them may offer better designs and patterns to the clients and may be capable of providing more personalized services to each client due to the smaller number of orders placed with them. Further, these unorganized entities offer their services at highly competitive prices having well established presence in their local markets. Aggressive discounting by competitors, including liquidating excess inventory, may also adversely impact our performance in the short term. This is particularly the case for easily comparable pieces of jewellery, of similar quality, sold through stores that closely resemble to those that we operate. In addition, there are minimal entry barriers in this sector and hence we may also face competition from new entrants.

**29. *Our Company has not taken any insurance coverage which may protect us against certain operating hazards and from all losses and this may have an adverse impact on the financial conditions of the business.***

Except as mentioned “*Business Overview*” Chapter on page no. 88 of this Draft Prospectus, our Company has not taken any insurance cover at present. Hence, we may not be able to protect ourselves from any damage or loss suffered by us. To the extent that we suffer any loss or damage, the operational results of the company

could be adversely affected. The company does not maintain a directors and officers liability insurance policy for the directors or key managerial personnel of the Company.

**30. *Any changes in regulations or applicable government incentives would adversely affect the Company's operations and growth prospects.***

Our Company is also subject to various regulations. Our Company's business and prospects could be 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 its operations or that compliance issues will not be raised in respect of its operations, either of which would have a material adverse effect on the Company's operations and financial results.

Our operations currently benefit from certain direct tax incentives. In the event we are unable to continue to benefit from such tax benefits, or other taxes applicable to us increase, our financial condition and results of operations may be adversely affected. Taxes and other levies imposed by the GoI or State Governments that affect 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. Imposition of any other charges by the Central and the State Governments or increases in existing charges may adversely affect our results of operations. Further, the central and state tax scheme in India is subject to change from time to time. Any adverse change in Indian tax rules and regulations or policy may have an adverse effect on our business, financial condition and results of operations.

**31. *Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.***

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details please refer to Chapter titled "*Government and Other Statutory Approvals*" beginning on page no. 176 of the Draft Prospectus.

**32. *Certain agreements may be inadequately stamped or may not have been registered or may not have necessary disclosure as a result of which our operations may be adversely affected.***

Few of our agreements may not be stamped adequately or registered or may not have not the necessary disclosures. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company. Further, effect of non-disclosure of certain necessary points as required under the Contract Act, 1872 (as amended from time to time) and/ or under any other law, rules, regulations, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non- disclosure of necessary points/ rules/regulations/ law relating to Contract Act, 1872 (as amended from time to time) and/ or under any other law, rules, regulations may adversely impact the operations of our Company.

- 33. *We have not entered into any non-disclosure or confidentiality agreements with our employees or other intermediaries.***

We operate in a highly competitive industry our ability to succeed depends largely on the ability and skill of the workers to create new and creative designs. Although, we have good terms with our employees, we cannot assure that we will have continued relation with them. Although, we believe that our designs may not be compromised, we cannot assure the same as we have not entered any non-disclosure or other confidentiality agreements with them.

- 34. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

- 35. *We are dependent on our Promoter, our senior management, directors and key personnel of our Company for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.***

Our Promoter, Directors, senior management and key managerial personnel collectively have many years of experience in the industry and are difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. For further details of our Directors and key managerial personnel, please refer to Section "***Our Management***" on page 118 of this Draft Prospectus. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently.

Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

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

The proposed expansion, as detailed in the section titled "Objects of the Issue" is to be mainly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time over run, or cost overrun may adversely affect our growth plans and profitability.

- 37. *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(s) which require us to file unaudited financial results on a half yearly basis. 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.

**38. *Our Board of Directors and management may change our operating policies and strategies without prior notice or shareholder approval.***

Our Board of Directors and management has the authority to modify certain of our operating policies and strategies without prior notice (except as required by law) and without shareholder approval. We cannot predict the effect that any changes to our current operating policies or strategies would have on our business, operating results and the price of our Equity Shares.

**39. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding in our Company.***

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding in our Company. For further information, see "*Capital Structure*" and "*Our Management*" on page nos. 56 and 118, respectively, of this Draft Prospectus.

**40. *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 the Audit Committee.***

As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Since this Issue Size is less than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**41. *We propose to utilize the Net Proceeds for purposes identified in the section titled "Objects of the Issue" in this Draft Prospectus. 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.***

We propose to utilize the Net Proceeds for purposes identified in the section titled "*Objects of the Issue*" beginning on page no 69 this Draft Prospectus. The manner deployment and allocation of such funds is entirely at the discretion of our management and our Board, subject to compliance with the necessary provisions of the Companies Act.

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 shareholder's 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 Shareholder's approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholder's approval may adversely affect our business or operations. Further, our Promoter 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, 2018, as amended from time to time. If our Shareholder's 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.

- 42. *We have not identified any alternate source of raising the funds mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance. Further in case of any delay in the completion of the Offer, there would be a corresponding delay in implementation schedule.***

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 Fresh Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds for setting up the expanded unit along with Plant and machinery, which may result in us borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. 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, we may have to consider alternative source for meeting the fund requirement. We therefore, cannot assure that we would be able to execute the proposed expansion plan within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

#### **RISKS RELATED TO OUR EQUITY SHARES AND EQUITY SHARE HOLDERS**

- 43. *Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the proposed Initial Public Issue, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group members will always act in the best interests of the Company.***

After the completion of our Initial Public Issue, our Promoter, along with our Promoter Group members, will hold, approximately 40.57% of our post issue paid up equity capital of our Company. As a result, our Promoter to some extent will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholder. By exercising their control, our Promoter could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. We cannot assure you that our Promoter and Promoter Group members will always act in our Company’s or your best interests. For further details, please refer to the chapters titled “*Capital Structure*” and “*Our Promoter, Promoter Group*” and “*Our Group Companies/Entities*”, beginning on page no. 56, 132 and 139 respectively, of this Draft Prospectus.

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

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

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

Any future equity issuances by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this

Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**46. *We cannot assure you that we will pay dividend in future.***

We have not paid any dividends on our Equity Shares since inception and there can be no assurance that dividends will be paid in future. The declaration of dividends in the future will be recommended by our Board, at its sole discretion, and will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividend in the future. Further, we may be restricted by the terms of our debt financing from making dividend payments, in the event we default in any of the debt repayment installments.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to; however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For more details, please refer to "*Statement of Tax Benefits*" on page no. 76 of this Draft Prospectus.

**48. *We cannot assure you that our Equity Shares will be listed on the SME Platform of BSE in a timely manner or at all, which may restrict your ability to dispose of the Equity Shares.***

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, we are not required to obtain any in-principle approval from SEBI for listing of our Equity Shares. We have only applied to BSE to use its name as the Stock Exchange in this Offer Document for listing our Equity Shares on the SME Platform of BSE. Permission for listing of the Equity Shares will be granted only after the Equity Shares offered in this Issue have been allotted. Approval from BSE will require all relevant documents authorizing the issuing of the Equity Shares to be submitted to it. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Further, certain procedural and regulatory requirements of SEBI and the Stock Exchanges are required to be completed before the Equity Shares are listed and trading commences. Trading in the Equity Shares is expected to commence within 6 (six) Working Days from the Issue Closing Date. However, we cannot assure you that the trading in the Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining the approvals would restrict your ability to dispose off your Equity Shares.

**49. *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. 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, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. For further details of the obligations and limitations of Market Makers please refer to the section titled "**General Information – Details of the Market Making Arrangement for this Issue**" on page no. 48 of this Draft Prospectus.

- 50. *There may be restrictions on daily/monthly movements in the price of our Equity Shares, which can adversely affect shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point of time.***

Subsequent to listing, our Company may be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions having crossed certain volatility limit in the price of its Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker is set by the stock exchanges based on certain factors such as the historical volatility in the price and trading volume of the Equity Shares. The stock exchange is not required to inform us of the percentage limit of the circuit breaker from time to time and may change it without our knowledge. This circuit breaker, if imposed, would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure that the shareholders will be able to sell the Equity Shares at desired prices at any particular time.

## **EXTERNAL RISK FACTORS**

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

The company is subject to various regulations and policies. For details see section titled "**Key Industry Regulations and Policies**" beginning on page no. 102 of this Draft Prospectus. The company's current businesses 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 it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse effect on the business, financial condition and results of operations.

- 52. *Our business is subject to a significant number of tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could negatively and adversely affect our results of operations.***

The revenues recorded, and income earned is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of the tax liabilities involves the interpretation of local tax laws as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned, and expenditures incurred. Changes in the operating environment, including changes in tax laws, could impact the determination of the tax liabilities of our Company for any year.

- 53. *The nationalized Goods and Services Tax (GST) regimes proposed by the Government of India may have material impact on our operations.***



The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

**54. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.**

Our financial statements, including the financial statements provided in this Draft Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see “**Presentation of Financial, Industry and Market Data**” on page no. 16 of this Draft Prospectus. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

India has decided to adopt the “Convergence of its existing standards with IFRS” and not the “International Financial Reporting Standards” (“IFRS”), which was announced by the MCA, through the press note dated January 22, 2010. These “IFRS based / synchronized Accounting Standards” are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

**55. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection / tax clearance certificate from the income tax authority. There

can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**57. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

**58. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

**59. *Natural calamities and force majeure events may have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. These natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of deficient or abnormal rainfall or other natural calamities in the future could have a negative impact on the Indian economy, adversely affecting our business and the price of the Equity Shares.

**60. *Terrorist attacks, civil unrests and other acts of violence in India and around the region could adversely affect the markets, resulting in loss of consumer confidence and adversely affect the business, results of operations, financial condition and cash flows.***

Terrorist attacks, civil unrests and other acts of violence or war in India and around the region may adversely affect worldwide financial markets and result in a loss of consumer confidence and ultimately adversely affect the business, results of operations, financial condition and cash flows. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and on the business and price of the Equity Shares.

***61. 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 the company's control such as earthquake, fire, floods and similar natural calamities may cause interruptions in the business operations. The operations and financial results and the market price and liquidity of the 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. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

***62. In future the company may depend on banks and financial institutions and other sources for meeting its short and medium term financial requirements.***

Any delay in the disbursement of funds from these bodies can act as a bottleneck to the project execution capabilities and thereby its results of operations. The company cannot assure that it will be able to do so on commercially reasonable terms. Any increase in interest expense may have a material adverse effect on its business prospects, financial condition and results of operations.

***63. Increases in interest rates may affect the results of operations.***

Currently, the company does not have any debt, but it cannot be assured that it will not incur indebtedness with a floating rate of interest in the future. As such, increases in interest rates may adversely affect the cost of future borrowings.

The company has not entered into any interest rate hedging or swaps transactions. It cannot be assured to the prospective investor that the company, if it does not enter into any interest rate hedging or swap transactions, will be able to do so on commercially reasonable terms, or that any of such agreements will protect the company fully against interest rate risk. Any increase in interest expense may have an adverse impact on its business, prospects, financial condition and results of operations.

***64. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and trading industry contained in the Draft Prospectus.***

While facts and other statistics in this Draft Prospectus relating to India, the Indian economy and the Trading and Distribution industry has been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled '***Industry Overview***' beginning on page no. 79 of this Draft Prospectus. Due to possibly flawed or ineffective data or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and we have placed our reliance on the report as published by the respective agencies/ authorities. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Draft Prospectus:

Particulars	No. of Equity Shares
Equity Shares Offered	Up to 12,00,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 31/- per Equity Share aggregating Rs. 3,72,00,000/-
<b><i>Of Which:</i></b>	
Reserved for Market Makers	64,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 31/- per Equity Share aggregating Rs. 19,84,000/-.
Net Issue to the Public*	11,36,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 31/- per Equity Share aggregating Rs. 3,52,16,000/-
<b><i>Of which:</i></b>	
Retail Investors Portion	5,68,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 31/- per Equity Share aggregating Rs. 1,76,08,000/-
Non-Retail Investors Portion	5,68,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 31/- per Equity Share aggregating Rs. 1,76,08,000/-
<b><i>Pre and Post Issue Share Capital of our Company:</i></b>	
Equity Shares outstanding prior to the Issue	25,39,000 Equity Shares
Equity Shares outstanding after the Issue	37,39,000 Equity Shares
Use of Issue Proceeds	For details please refer chapter titled ' <b><i>Objects of the Issue</i></b> ' beginning on page no. 69 of this Draft Prospectus.

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

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on June 08, 2022 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting held on July 06, 2022 in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

\* As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the Allocation' is the net issue to the public category shall be made as follows:

- a. Minimum fifty percent (50%) To Retail Individual Investors; and
- b. Remaining to:
  - (i) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
- c. The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

For further details please refer to chapters titled "Terms of the Issue", "Other Regulatory and Statutory Disclosures" and "Issue Structure" beginning on page no. 193, 178 and 199, respectively of this Draft Prospectus.

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information is derived from Restated Audited Financial Statements for the financial year ended on March 31, 2022, 2021 and 2020. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations, 2018.

The summary financial information presented below should be read in conjunction with the chapters and notes mentioned therein, please refer to the chapters titled 'Restated Financial Statement' and "Management's Discussion and Analysis Of Financial Conditions And Results Of Operations" beginning on page no. 142 and 165, respectively of this Draft Prospectus.

### ANNEXURE-I: RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in RS)

Sr. No.	Particulars	Note No.	As at 31 <sup>st</sup> March		
			2022	2021	2020
<b>A.</b>	<b>Equity and Liabilities</b>				
<b>1</b>	<b>Shareholders' Funds</b>				
	Share Capital	<b>I.1</b>	2,38,00,000	96,77,210	96,77,210
	Reserves & Surplus	<b>I.2</b>	(41,25,483)	89,25,281	88,13,370
	<b>Share application money pending allotment</b>		-	-	-
<b>2</b>	<b>Non-Current Liabilities</b>				
	Long-Term Borrowings		4,93,169	-	-
	Other Non-Current Liabilities		-	-	-
	Deferred Tax Liabilities	<b>I.3</b>	-	-	-
<b>3</b>	<b>Current Liabilities</b>				
	Short Term Borrowings		-	-	-
	Trade Payables	<b>I.4</b>	50	13,271	1,708
	Other Current Liabilities	<b>I.5</b>	39,839	59,571	6,53,287
	Short Term Provisions	<b>I.6</b>	1,54,619	29,716	5,928
	<b>Total</b>		<b>2,03,62,194</b>	<b>1,87,05,049</b>	<b>1,91,51,503</b>
<b>B.</b>	<b>Assets</b>				
<b>1</b>	<b>Non-Current Assets</b>				
	Fixed Assets				
	Tangible Assets	<b>I.7</b>	14,38,078	7,11,309	8,00,909
	Intangible Assets	<b>I.7</b>	12,636	25,461	38,286
	Capital Work In Progress		-	-	-
	Non-Current Investments		-	-	-
	Deferred Tax Assets	<b>I.3</b>	11,21,932	11,95,280	12,12,069
	Long Term Loans & Advances	<b>I.8</b>	20,000.00	20,000	-
	Other Non Current Assets		-	-	-
<b>2</b>	<b>Current Assets</b>				
	Investments		-	-	-
	Inventories	<b>I.9</b>	95,50,060	1,13,14,448	1,10,01,292
	Trade Receivables	<b>I.10</b>	2,98,438	2,80,200	7,09,422
	Cash and Bank Balances	<b>I.11</b>	70,89,814	34,42,386	41,48,913
	Short-Term Loans and Advances	<b>I.12</b>	28,000	28,000	4,57,200
	Other Current Assets	<b>I.13</b>	8,03,237	16,87,965	7,83,412
	<b>Total</b>		<b>2,03,62,194</b>	<b>1,87,05,049</b>	<b>1,91,51,503</b>

**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 IV, II, III.

**ANNEXURE-II: RESTATED STATEMENT OF PROFIT AND LOSS**

**(Amount in RS)**

Sr. No	Particulars	Note No.	For The Year Ended 31 <sup>st</sup> March		
			2022	2021	2020
<b>A.</b>	<b>Revenue:</b>				
	Revenue from Operations	<b>II.1</b>	13,24,58,562	6,18,50,214	4,42,76,133
	Other income	<b>II.2</b>	57,857	1,65,288	3,08,812
	<b>Total revenue</b>		<b>13,25,16,419</b>	<b>6,20,15,502</b>	<b>4,45,84,945</b>
<b>B.</b>	<b>Expenses:</b>				
	Cost of Material Consumed		-	-	-
	Purchase of Stock in Trade	<b>II.3</b>	12,77,57,148	5,94,54,224	4,72,65,517
	Changes in Inventories of Finished Goods	<b>II.4</b>	17,64,389	(3,13,156)	(48,48,968)
	Employees Benefit Expenses	<b>II.5</b>	10,50,500	14,06,000	12,27,900
	Finance costs		56,086	30,220	14,373
	Depreciation and Amortization	<b>II.6</b>	2,51,350	1,96,799	1,88,516
	Other expenses	<b>II.7</b>	6,45,799	10,88,927	6,99,606
	<b>Total Expenses</b>		<b>13,15,25,271</b>	<b>6,18,63,014</b>	<b>4,45,46,944</b>
	<b>Profit/(Loss) before exceptional items and tax</b>		<b>9,91,148</b>	<b>1,52,488</b>	<b>38,001</b>
	Exceptional Items		-	-	-
	<b>Profit before tax</b>		<b>9,91,148</b>	<b>1,52,488</b>	<b>38,001</b>
	<b>Tax expense :</b>				
	Current tax		2,52,740	57,120	19,874
	Deferred Tax	<b>II.8</b>	(24,772)	(16,543)	5,516
	<b>Profit/(Loss) for the period/ year</b>		<b>7,63,180</b>	<b>1,11,911</b>	<b>12,971</b>
	<b>Earning per equity share in Rs.:</b>				
	(1) Basic		0.32	0.12	0.01
	(2) Diluted		0.32	0.12	0.01

**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 IV, I, III.

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

(Amount in RS)

Particulars	For The Year Ended 31 <sup>st</sup> March		
	2022	2021	2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/ (Loss) before tax	<b>9,91,148</b>	<b>1,52,488</b>	<b>38,001</b>
Adjustments for:			
Depreciation	2,51,350	1,96,799	1,88,516
Profit/(Loss) on sale of fixed assets	(50,723)	-	-
Interest Expense	56,086	30,220	14,373
Interest Received	(14,640)	(1,63,688)	(2,75,812)
<b>Operating profit before working capital changes</b>	<b>12,33,221</b>	<b>2,15,819</b>	<b>(34,922)</b>
Movements in working capital :	25,97,926	(9,41,440)	(49,27,908)
(Increase)/ Decrease in Inventories	17,64,389	(3,13,156)	(48,48,968)
(Increase)/Decrease in Trade Receivables	(18,238)	4,29,222	(2,67,222)
(Increase)/Decrease in Current Investments	-	-	-
(Increase)/Decrease in Short Term Loans & Advances	-	4,29,200	(4,07,065)
(Increase)/Decrease in Other Current Assets/ Non Current Assets	8,84,728	(9,04,553)	-
Increase/(Decrease) in Trade Payables	(13,221)	11,563	(128)
Increase/(Decrease) in Other Current Liabilities	(19,732)	(5,93,716)	5,95,475
Increase/(Decrease) in Short Term Provisions	-	-	-
<b>Cash generated from operations</b>	<b>38,31,146</b>	<b>(7,25,621)</b>	<b>(49,62,830)</b>
Income tax paid during the year /period	(57,785)	20,000	38,566
<b>Net cash from operating activities (A)</b>	<b>38,88,931</b>	<b>(7,45,621)</b>	<b>(50,01,396)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	(11,64,017)	(94,374)	(1,92,176)
Sale of Fixed Assets	1,48,000	-	-
Proceeds from Long Term Loans & Advances	-	-	1,36,450
Interest Received	14,640	1,63,688	2,75,812
<b>Net cash from investing activities (B)</b>	<b>(10,01,377)</b>	<b>69,314</b>	<b>2,20,086</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest paid on borrowings	(56,086)	(30,220)	(14,373)
Proceeds/(Repayment) of Borrowings/Long Term Liabilities	4,93,169	-	-
Proceeds of Share Capital	3,22,790	-	-
<b>Net cash from financing activities (C)</b>	<b>7,59,873</b>	<b>(30,220)</b>	<b>(14,373)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>36,47,427</b>	<b>(7,06,527)</b>	<b>(47,95,683)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>34,42,386</b>	<b>41,48,913</b>	<b>89,44,596</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70,89,813</b>	<b>34,42,386</b>	<b>41,48,913</b>
<b>Cash and cash equivalents Comprises of:</b>			
<b>Cash in Hand</b>	<b>11,21,428</b>	<b>12,09,622</b>	<b>13,07,724</b>
<b>Cash at Bank</b>	<b>59,68,386</b>	<b>22,32,764</b>	<b>28,41,189</b>
<b>Note:</b> The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities & profits and losses appearing in Annexure IV, I, II.			

## SECTION V- GENERAL INFORMATION

Our Company was originally incorporated as Amanaya Financial Services Private Limited on February 27, 2009 under the Companies Act, 1956 vide certificate of incorporation issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. Subsequently the name of the company was changed from “Amanaya Financial Services Private Limited” to “Amanaya Ventures Private Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extraordinary General Meeting held on September 14, 2015 and had obtained fresh certificate of incorporation dated September 16, 2015 issued by the Assistant Registrar of Companies, Chandigarh. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated October 09, 2015 and the name of our Company was changed to “Amanaya Ventures Limited” to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Chandigarh, dated October 15, 2015. The CIN of the Company is U51101PB2009PLC032640.

For details of the changes in our name and registered office, please refer to the chapter titled ‘*History and Certain Corporate Matters*’ beginning on page no. 113 of this Draft Prospectus.

### Registered Office of our Company

**CIN** : U51101PB2009PLC032640  
**Registration No.** : 032640  
**Address** : 69-70, First Floor, Deep Complex, Court Road, Amritsar-143001 Punjab, India.  
**Tel No.** : +91 9914997607  
**Email Id** : [info@amanaya.in](mailto:info@amanaya.in)  
**Website** : [www.amanaya.in](http://www.amanaya.in)  
**Contact Person** : Mrs. Gurpreet Kaur

### Address of the Registrar of Companies

**Address** : 1<sup>st</sup> Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, Chandigarh-160019, Punjab, India.  
**Tel No.** : 0172-2639415 / 2639416  
**Fax No.** : 0172-2639416  
**Email Id** : [roc.chandigarh@mca.gov.in](mailto:roc.chandigarh@mca.gov.in)

### DESIGNATED STOCK EXCHANGE

Our Company proposed to list its Equity Shares on the **SME Platform of BSE Limited** located at P. J. Towers, Dalal Street, Fort, Mumbai 400 001, Maharashtra, India

### OUR BOARD OF DIRECTORS

The following table sets out details regarding our Board as on the date of this Draft Prospectus:

Sr. No.	Name and Designation	DIN	PAN	Address
1.	Mr. Manan Mahajan; Whole-Time Director & CFO	02217914	AJSPM2487L	10, Nagina Avenue, Majitha Road, Amritsar-143001, Punjab, India
2.	Mrs. Rajni Mahajan; Managing Director	02463524	AYIPM9692E	10, Nagina Avenue, Majitha Road, Amritsar-143001, Punjab, India
3.	Mr. Harvinder Singh Dhami; Non-Executive and Independent Director	02119042	AKLPS5990G	119-E, Dhami House, Street No. 3, Gopal Nagar, Majitha Road, Amritsar, 143001, Punjab, India
4.	Mr. Bikram Singh Rana; Non-Executive and Independent Director	07767074	AGRPR0927N	S/o Om Prakash Rana, H.No: 13- A, Kala Singa Road, New Geeta Colony, Basti Sheikh, Jalandhar, Punjab-143001, India



Sr. No.	Name and Designation	DIN	PAN	Address
5.	Mr. Naveen Gupta; Non-Executive and Independent Director	09684403	AOSPN1414P	R/O House No. S-6/106, Gali No. 2, Near K.C. Khullar House, Ram Sharnam Colony, Pathankot- 145001, Punjab, India

For detailed profile of our Board of Directors, refer to chapter titled '*Our Management*' on page no. 118 of this Draft Prospectus.

#### CHIEF FINANCIAL OFFICER

**Name** : MR. MANAN MAHAJAN  
**Address** : 9-70, First Floor, Deep Complex, Court Road, Amritsar-143001 Punjab, India.  
**Tel. No.** : +91 9914997607  
**Email Id** : [Manan.mahajan@amanaya.in](mailto:Manan.mahajan@amanaya.in)  
**Website** : [www.amanaya.in](http://www.amanaya.in)

#### COMPANY SECRETARY & COMPLIANCE OFFICER

**Name** : MRS. GURPEET KAUR  
**Address** : 69-70, First Floor, Deep Complex, Court Road, Amritsar-143001 Punjab, India.  
**Tel. No.** : +91 7814057878  
**Email Id** : [cs@amanaya.in](mailto:cs@amanaya.in)  
**Website** : [www.amanaya.in](http://www.amanaya.in)

#### LEAD MANAGER

**Name** : FIRST OVERSEAS CAPITAL LIMITED  
**Registered Office** : l-2 Bhupen Chambers, Ground Floor, Dalal Street, Mumbai-400 001.  
**Tel. No.** : +91 22 40509999  
**Email Id** : [satish@focl.in](mailto:satish@focl.in) / [mala@focl.in](mailto:mala@focl.in)  
: Mr. Satish Sheth/ Ms. Mala Soneji  
**Website** : [www.focl.in](http://www.focl.in)  
**SEBI Registration No.** : INM000003671

#### REGISTRAR TO THE ISSUE

**Name** : BEETAL Financial & Computer Services Private. Limited  
**Address** : Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi-110062, India.  
**Tel. No.** : 011-29961281-83/26051061/26051064  
**Fax** : 011-29961284  
**Email Id** : [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com) / [beetalrta@gmail.com](mailto:beetalrta@gmail.com)  
**Investor grievance e-mail** : [investor@beetalfinancial.com](mailto:investor@beetalfinancial.com)  
**Contact Person** : Mr. Punit Mittal  
**Website** : [www.beetalfinancial.com](http://www.beetalfinancial.com)  
**SEBI Registration No.** : INR000000262

#### Note:

Investors may contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue, i.e. and/ or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, or/and non-receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same. Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

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

#### **LEGAL ADVISOR TO THE COMPANY AND ISSUE**

**Name** : J. MUKHERJEE & ASSOCIATES  
**Address** : D-1, MMS Chambers 4A, Council House Street, Kolkata- 700001  
**Tel No.** : +91 9830640366  
**Email Id** : [jmukherjeeandassociates@gmail.com](mailto:jmukherjeeandassociates@gmail.com)  
**Contact Person** : JayabrataMukherjee

#### **STATUTORY AUDITOR OF THE COMPANY**

**Name** : MANOJ MAHAJAN & ASSOCIATES.; CHARTERED ACCOUNTANTS  
**Address** : 346, Nagina Avenue, Majitha Road, Amritsar- 143001, Punjab  
**Tel No.** : +91 8427338855  
**Email Id** : [camanojmahajan@gmail.com](mailto:camanojmahajan@gmail.com)  
**Contact Person** : Mr. Manoj Mahajan  
**Membership No.** : 547186  
**Firm Registration No.** : 032268N

#### **PEER REVIEW AUDITOR OF THE COMPANY**

**Name** : BHARAT GUPTA & CO., CHARTERED ACCOUNTANTS  
**Address** : Office No 12, First Floor Garden City, Deepak Hospital Road, Bhayander East, Thane –401105  
**Tel No.** : +91 2235684412  
**Email Id** : [cabgupta2008@gmail.com](mailto:cabgupta2008@gmail.com)  
**Contact Person** : Mr. Bharat Gupta  
**Membership No.** : 136055  
**Firm Registration No.** : 131010W  
**Peer Review No.** : 012751

Bharat Gupta & Co., Chartered Accountants, holds valid Peer Review Certificate Number 012751 dated February 03, 2021 issued by Peer Review Board of the Institute of Chartered Accountants of India. The certificate is valid till 31<sup>st</sup> January, 2026.

#### **BANKER(S) TO THE COMPANY**

**Name** : YES BANK LIMITED  
**Address** : Branch 0340, Ground Floor, C-66, Kirti Nagar, New Delhi- 110015  
**Tel No.** : +91 7838926649  
**Email Id** : [Lelin.patel@yesbank.in](mailto:Lelin.patel@yesbank.in)  
**Contact Person** : Mr. Lelin Patel  
**Website** : [www.yesbank.in](http://www.yesbank.in)  
**CIN** : L65190MH2003PLC143249

**Name** : ICICI BANK  
**Address** : Gopal Nagar, Majitha Road, Amritsar, Punjab- 143001  
**Tel No.** : +91 7347049443  
**Email Id** : [Raghav.bhatia@icicibank.com](mailto:Raghav.bhatia@icicibank.com)  
**Contact Person** : Mr. Raghav Bhatia  
**Website** : [www.icicibank.com](http://www.icicibank.com)

## **BANKER(S) TO THE ISSUER/ SPONSOR BANKER/ ESCROW COLLECTION BANK/REFUND BANK**

Address : [●]  
Tel No. : [●]  
Email Id : [●]  
Contact Person : [●]  
Website : [●]  
SEBI Registration No. : [●]

## **UNDERWRITER (S) TO THE ISSUE**

Name : [●]  
Address : [●]  
Tel No. : [●]  
Email Id : [●]  
Contact Person : [●]  
Website : [●]  
SEBI Registration No. : [●]

## **MARKET MARKER(S) TO THE ISSUE**

Name : [●]  
Address : [●]  
Tel No. : [●]  
Email Id : [●]  
Investor Grievance Email Id: : [●]  
Contact Person : [●]  
Website : [●]  
SEBI Registration No. : [●]

### **Changes in Auditors during the last Three Financial Years**

There have been no changes in the Auditors in last three financial years preceding the date of this Draft Prospectus. However Bharat Gupta & Co., Chartered Accountants was appointed as Peer Review Auditors of our Company at EGM dated June 08, 2022 to comply with the requirement of peer review auditor in SME IPO.

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

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link. The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and it's updated from time to time. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

### **Registered Brokers**

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

### **Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange [www.bseindia.com](http://www.bseindia.com) as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI [www.sebi.gov.in](http://www.sebi.gov.in) and updated from time to time.

### **Credit Rating**

This being an Issue of Equity Shares, there is no requirement of credit rating.

### **Debenture Trustees**

This is being an Issue of Equity Shares; the appointment of Debenture trustee is not mandatory.

### **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.

### **Statement of Responsibility of the Lead Manager/ Statement of inter se allocation of responsibilities for the Issue**

Since, First Overseas Capital Limited is the sole Lead Manager to the Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

### **Appraisal and Monitoring Agency**

As per Regulation 262(1) of SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the offer size is below Rs. 10,000 Lakhs. Since this Issue Size is less than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Section 177 of the Companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

### **Expert Opinion**

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

Our Company has received written consent from the Independent Peer Reviewed Auditor namely, Bharat Gupta & Co., Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Independent Peer Reviewed Auditor on the Restated Financial Statements, dated July 25, 2022 and such consent has not been withdrawn as on the date of this Draft Prospectus.

Our Company has received written consent from our Statutory Auditor namely, Manoj Mahajan & Associates., Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and the statement of tax benefits dated August 18, 2022 included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

### **Filing of Prospectus**

The copy of the Draft Prospectus will be filed with the Designated Stock Exchange, in our case, it shall be SME Platform of BSE Ltd. The Prospectus shall not be filed with SEBI, nor shall SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR), 2018. However, pursuant to Regulation 246(5), the soft copy of Prospectus shall be submitted to SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Prospectus and Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

Further, pursuant to SEBI Circular Number CFD/DIL1/CIR/P/2019/0000000154 dated January 01, 2020, a copy of the Prospectus along with the with due diligence certificate including additional confirmations required to be filed under Section 26 of the Companies Act, 2013 will be filed with SEBI.

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 1<sup>st</sup> Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, Chandigarh-160019, Punjab, India.

## Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Equity Shares underwritten*	Amount Underwritten	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

\*Includes [●] Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Offer out of its own account.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter, the resources of the above-mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

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

Our Company and the Lead Manager have entered into an agreement dated [●] with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

**Name** : [●]  
**Address** : [●]  
**Tel No.** : [●]  
**Email Id** : [●]  
**Investor Grievance Email Id:** : [●]  
**Contact Person** : [●]  
**Website** : [●]  
**SEBI Registration No.** : [●]

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

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018, and its amendments thereto and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by Stock Exchange. Further, the Market Maker shall inform Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 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. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of Market Maker in our Company reaches to 15% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of

Offer Size would not be taken in to consideration of computing the threshold of 15%. As soon as the Shares of Market Maker in our Company reduce to 14%, the market maker will resume providing 2-way quotes.

4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process, the concerned Stock Exchange may intimate the same to SEBI after due verification.
5. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME platform of BSE from time to time.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by them.
7. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE (in this case currently the minimum trading lot size is 4,000 Equity Shares; however, the same may be changed by the SME Platform of BSE from time to time).
8. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of the SME Platform of BSE and SEBI from time to time.
9. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Offerer Company at any particular level and is purely supposed to facilitate liquidity on the counter of Amanaya Ventures Limited via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
10. There would not be more than (5) five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [●] is acting as the sole Market Maker.
11. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SME Platform of BSE.
12. 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.
13. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
14. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.
15. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars.
16. The Market Maker has to act in that capacity for a period of three years.
17. 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.
18. The Market Maker(s) shall have the right to terminate said arrangement by giving three or one month notice or on mutually acceptable terms to the Lead Manager/Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
19. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager/Merchant Banker to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the

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

20. **Risk containment measures and monitoring for Market Makers:** BSE SME will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
21. **Punitive Action in case of default by Market Makers:** SME Platform of BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (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.
22. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 Crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue Price.
- Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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

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

23. 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 Offer 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 Rs.20 Crores	25%	24%
Rs.20 to Rs.50 Crores	20%	19%
Rs.50 to Rs.80 Crores	15%	14%
Above Rs.80 Crores	12%	11%

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

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

## SECTION VI- CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus is set forth below:

(Amount in Rs)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A.</b>	<b>Authorized Share Capital</b>		
	60,00,000 Equity Shares of Rs. 10/- each	6,00,00,000	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	25,39,000 Equity Shares of Rs. 10/- each	2,53,90,000	-
<b>C.</b>	<b>Present Issue in terms of this Draft Prospectus</b>		
	Issue of up to 12,00,000 Equity Shares of face value Rs. 10 /- each at a Issue price of Rs. 31/- per Equity Share <sup>(1)</sup>	1,20,00,000	3,72,00,000
	<i>Which comprises:</i>		
	<b>(a) Reservation for Market Maker(s)</b> 64,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 31/- per Equity Share	6,40,000	19,84,000
	<b>(b) Net Issue to the Public</b> of 11,36,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 31/- per Equity Share	1,13,60,000	3,52,16,000
<b>#</b>	<b>Of the Net Issue to the Public</b>		
	5,68,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 31/- per Equity Share shall be available for allocation to <b>Retail Individual Investors up to Rs. 2.00 Lakhs</b>	56,80,000	1,76,08,000
	5,68,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 31/- per Equity Share shall be available or allocation to <b>other than Individual Investors above Rs. 2.00 Lakhs</b>	56,80,000	1,76,08,000
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	37,39,000 Equity Shares of face value Rs. 10 each	3,73,90,000	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		34,76,835
	After the Issue		2,86,76,835

(1) This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on June 08, 2022 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting held on July 06, 2022 in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

# Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Issue and its allocation various categories, please refer chapter titled “**The Issue**” on page no. 44 of this Draft Prospectus.



## Class of Shares

The company has only one class of shares i.e. Equity shares of Rs. 10.00/- 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 does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### Details of change in Authorized Share Capital of our Company:

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

Particulars (No. of Equity Shares of FV of Rs. 10 each)		Date of Meeting	Type of Meeting
From	To		
---	10,000 Equity Shares	27-02-2009	On Incorporation
10,000 Equity Shares	20,000 Equity Shares	01-12-2009	EGM
20,000 Equity Shares	60,000 Equity Shares	20-09-2011	EGM
60,000 Equity Shares	1,50,000 Equity Shares	25-03-2014	EGM
1,50,000 Equity Shares	5,00,000 Equity Shares	12-01-2017	EGM
5,00,000 Equity Shares	6,00,00,000 Equity Shares	17-03-2020*	-

\* The increase in authorized capital of the Company was pursuant to the Scheme of Amalgamation entered into amongst Midland Services Limited (MSL), our Company and their respective shareholders. For further details regarding Scheme of Amalgamation, please refer to the section 'Our History and Certain Other Corporate Matters' beginning on Page 113 of this Draft Prospectus.

### I. Paid-up Share Capital History of our Company

Sr. No.	Date of Allotment of Equity Shares	No. of shares Allotted	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Cumulative Share Capital (Rs.)	Nature / Reason of Allotment
1	27.02.09	10,000	10,000	10	10	Cash	1,00,000	Subscription To MOA
2	11.12.09	2,000	12,000	10	125	Cash	1,20,000	Preferential Allotment
3	21.09.11	13,200	25,200	10	10	Cash	2,52,000	Rights Issue
4	01.11.11	14,800	40,000	10	175	Cash	4,00,000	Preferential Allotment
5	12.05.14	1,00,000	1,40,000	10	10	Cash	14,00,000	Rights Issue
6	21.01.17	2,52,000	3,92,000	10	N.A.	Other than Cash	39,20,000	Bonus Issue
7	17.03.17	86,164	4,78,164	10	10	Cash	47,81,640	Rights Issue
8	01.04.19	4,89,557	9,67,721	10	35	Other Than Cash	96,77,210	Equity Shares allotted pursuant to Amalgamation
9	18.09.21	32,279	10,00,000	10	10	Cash	10,00,000	Right issue
10	02.11.21^	13,80,000	23,80,000	10	N.A.	Other than Cash	23,80,000	Bonus Issue

11	06.07.22	1,59,000	25,39,000	10	31	Cash	2,53,90,000	Preferential Allotment
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^There was Bonus Issue of 69 Equity Shares of Amanaya Ventures Limited for Every 50 Equity Shares on November 02, 2011. There were 57,432 shares which needs to be issued in physical form but in terms of Rule 9A an Unlisted public limited company cannot issue shares in physical form. Hence the corporate action form was executed 13,22,568 only instead of 13,80,000 equity shares. The company has not issued a single equity share in the physical form to the physical share holders of the company, however, in case of bonus issue entitlement in respect of the physical share holders the 57,432 equity shares equivalent to the Bonus issue entitlement of the physical shareholders shall be credited into their respective D-MAT accounts.

- 1.1 Subscribers to Memorandum of Association Initial Allotment Allotment of 10,000 Equity Shares; 1,000 Equity Shares to Mrs. Rajni Mahajan, 9,000 Equity Shares to Mr. Manan Mahajan.
- 1.2 Allotment of 2,000 Equity shares to Mr. Rajneesh Arora.
- 1.3 Allotment of 13,200 Equity Shares each to Mr. Manan Mahajan 2,000 Equity Shares and Mr. Rakesh Rachwani, 11,200 Equity Shares.
- 1.4 Allotment of 14,800 Equity Shares; 10,800 Equity Shares to Mr. Chetan Mehra and 4,000 Equity Shares to Mr. Sanjay Rupani.
- 1.5 Further Allotment of 1,00,000 Equity Shares to Mr. Manan Mahajan
- 1.6 Allotment of 2,52,000 bonus shares in the ratio of 18 Equity Shares for every 10 Equity Shares held by shareholders to: Manan Mahajan -2,03,364, Rajni Mahajan-1,800, Ankur Mahajan -18; Rakesh Rachwani -20,160; Chetan Mehra-19,440; Sanjay Rupani -7,200; Sanjeev Kumar -18 Equity Shares.
- 1.7 Allotment of 86,164 Equity shares to Manan Mahajan -1,164 Equity Shares; Rajni Mahajan -40,000 Equity Shares and Mr. Chetan Mahajan- 45,000 Equity Shares.
- 1.8 Allotment of 4,89,557 Equity Shares to shareholders pursuant to Scheme of Amalgamation. Our Company allotted 1 (one) fully paid Equity Shares of Rs. 10 each for every 5 (five) Equity Shares of Rs.10 each held in Midland Services Limited to each shareholder of Midland Services Limited (other than our Company). *For further details regarding Scheme of Amalgamation, please refer to the section 'History and Certain Other Corporate Matters' beginning on Page 113 of this Draft Prospectus.*
- 1.9 Allotment of 32,279 Equity shares to Manan Mahajan pursuant to Right issue
- 1.10 Allotment of 13,80,000 Equity shares pursuant to bonus issue in the ratio of 69 Equity Shares of Amanaya Ventures Limited for Every 50 Equity Shares.
- 1.11 Allotment of 1,59,000 Equity Shares at Rs. 31/- each (inclusive of premium of Rs.21/-) to Anupama Lakhera 32,000; Rajiv Dhingra-16,000; Payal Arora-31,000; Rajan Arora-31,000; Raj Gupta-16,000; Rajesh Mahajan 16,000; Rajni Mahajan -16,000; Abhishek Mahajan- 1,000

## 2. Equity Shares issued for consideration other than cash by Our Company:

Except for as mentioned above in the notes to capital structure under point number 1.6, 1.8, and 1.10 of 'Share Capital History of the Company'; our Company has not issued any other equity shares for consideration other than cash.

## 3. No shares have been allotted in terms of any scheme approved under sections 230-234 of the Companies Act, 2013 other than as stated under head "Paid-up Share Capital History of our Company" in point no. 1.8. *For further details regarding Scheme of Amalgamation, please refer to the section 'History and Certain Other Corporate Matters' beginning on Page 113 of this Draft Prospectus.*

## 4. Equity Shares issued in the preceding two(2) years:

Except for as mentioned above in the notes to capital structure under point number 1.9, 1.10 and 1.11 of 'Share Capital History of the Company', Our Company has not issued any equity shares during a period of two (2) years preceding the date of the Draft Prospectus.

5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation of reserves.
6. Our Company has not made any allotment of Equity Shares pursuant to any scheme approved under Section Sections 391 to 394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of the Prospectus.(Except in the year of F.y. 2019-20)
7. Our Company has not issued Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of the Draft Prospectus other than as stated in Point 1.9
8. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed offer. 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.
9. As on the date of filing of this Draft Prospectus, there are no partly paid-up shares, outstanding convertible securities, warrants or outstanding warrants, options or rights to convert debentures in our Company or loans or other financial instruments into our equity shares.
10. There are no equity shares against which depository receipts have been issued.
11. As on the date filing this Draft Prospectus, other than the equity shares, there are no other class of securities issued by our Company. Further, our company does not have any preference share capital as on the date filing this Draft Prospectus.
12. All the equity shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
13. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

#### 14. Capital Buildup of our Promoters shareholding in the Company

As on the date of this Draft Prospectus, our Promoter- Mr. Manan Mahajan holds 12,72,705 Equity Shares having face value of Rs. 10 per share and representing 50.13% of the pre-issue Paid up Capital of our Company.

Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Nature of Consideration/ Allotment/ Acquired/ Transfer	% of the Paid-up Capital	
						Pre-Issue	Post- Issue
<b>Mr. Manan Mahajan</b>							
27.02.09	9,000	10	10	Cash	Subscription To MOA	0.35	0.25
21.09.11	2,000	10	10	Cash	Rights Issue	0.08	0.05
12.05.14	1,00,000	10	10	Cash	Rights Issue	3.94	2.75
16.09.15	2,000	10	125	Cash	Transfer of shares	0.08	0.05
16.09.15	(20)	10	10	Cash	Transfer of shares	0.00	0.00
21.01.17	2,03,364	10	N.A.	Bonus	Bonus Issue	8.01	5.59

17.03.17	1,164	10	10	cash	Transfer of shares	0.05	0.03
02.08.19	(70)	10	10	cash	Transfer of shares	0.00	0.00
01.04.19	1,48,033	10	10	other than cash	Scheme of Amalgamation	5.83	4.07
31.08.21	37,000	10	8.11	cash	Transfer of shares	1.46	1.02
18.09.21	32,279	10	10	Cash	Preferential Allotment	1.27	0.89
02.11.21	737955	10	N.A.	Bonus	Bonus Issue	29.06	20.28
<b>Total</b>	<b>12,72,705</b>						

All the Equity Shares held by our Promoter were and is fully paid-up on the respective dates of acquisition and/or transfers and/or allotment of such Equity Shares. As on the date of this Draft Prospectus, none of the Equity Shares held by our Promoter is pledged.

Further, Our Promoter to the Company and the Lead Manager confirms that the acquisition and/or transfers and/or allotment of the Equity Shares forming part of the Promoter's Contribution has been financed from personal funds/internal accruals and no loans or financial assistance from any banks or financial institution has been availed by our Promoter for this purpose.

#### ***Details of Promoter's contribution and Lock-in***

As per Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, and in terms of the aforesaid table, an aggregate of 20% of the fully diluted post-issue equity share capital of our Company held by our Promoter shall be provided towards minimum Promoter's, contribution and locked in for a period of 3 (Three) years from the date of Allotment ('Minimum Promoter's Contribution'). The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares. The Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2018.

Our Promoter has given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20.00% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution, from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations. The Equity Shares which are being locked in for three (3) years from the date of Allotment are as follows:

Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition/ acquired/ transfer	Nature of consideration	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
<b>Mr. Manan Mahajan</b>							
27.02.09	9,000	Cash	Subscription To MOA	10	10	0.35	0.25
21.09.11	2,000	Cash	Rights Issue	10	10	0.08	0.05
12.05.14	1,00,000	Cash	Rights Issue	10	10	3.94	2.75
16.09.15	2,000	Cash	Transfer of shares	10	125	0.08	0.05
16.09.15	(20)	Cash	Transfer of shares	10	10	0.00	0.00
21.01.17	2,03,364	Bonus	Bonus Issue	10	N.A.	8.01	5.59
17.03.17	1,164	cash	Transfer of shares	10	10	0.05	0.03
02.08.19	(70)	cash	Transfer of shares	10	10	0.00	0.00

Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition/ acquired/ transfer	Nature of consideration	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
01.04.19	1,48,033	other than cash	Scheme of Amalgamation	10	10	5.83	4.07
31.08.21	37,000	cash	Transfer of shares	10	8.11	1.46	1.02
18.09.21	32,279	Cash	Preferential Allotment	10	10	1.27	0.89
02.11.21	7,37,955	Bonus	Bonus Issue	10	N.A.	29.06	20.28
<b>Total Lock-in</b>	<b>12,72,705</b>					<b>100%</b>	

The Minimum Promoters contribution has been brought in to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2018. The Equity Shares that are being locked-in are eligible for computation of Promoter Contribution under Regulation 237 of SEBI ICDR Regulations. In this connection, our Company hereby confirms that the Equity Shares locked-in do not consist of:

- a) Equity Shares acquired during the preceding three (3) years from the date of filing this Draft Prospectus for
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus shares issued out of revaluations reserves or unrealized profits of the Company or bonus issue against equity shares which are otherwise ineligible for computation of Minimum Promoter's Contribution;
- b) Equity Shares held by the Promoter and offered for minimum Promoters contribution which are subject to any pledge with any creditor;
- c) Equity Shares acquired during the preceding one (1) year from the date of filing this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Initial Public Offer;
- d) Equity Shares issued to the Promoter upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management are ineligible for Minimum Promoters' Contribution. Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; and
- e) Equity Shares for which specific written consent has not been obtained from the respective Promoter for inclusion of their subscription in the Promoters Contribution subject to lock-in.

#### ***Equity shares locked-in for one year***

Other than the Equity Shares mentioned above that would be locked-in for three (3) years, the entire pre-Issue capital of our Company would be locked-in for a period of one (1) year from the date of Allotment in the Issue pursuant to Regulation 238 (b) and 239 of SEBI ICDR Regulations, 2018.

#### **Other requirements in respect of 'Lock-In'**

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.

#### ***Inscription or Recording of non-transferability:***

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the share certificates for the equity shares held in physical form, which are subject to lock-in, shall carry the inscription '**non-transferable**' and the non-transferability details shall be informed to and recorded by the Depositories.

***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.

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

***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.

## 15. OUR SHAREHOLDING PATTERN

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this:

Category	Category of Shareholders	No. of Shareholders	No. Of Fully Paid-up Equity Shares held	No. Of Partly Paid-up Equity Shares held	No. of Shares underlying Depository Receipts	Total No. Of Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)  As a % of (A+B+C2)	No. of Voting Rights held in each class of securities *		No. of Shares Underlying Outstanding Convertible Securities (including Warrants)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	No. of Locked in shares **		Shares Pledged or otherwise encumbered		No. of equity shares held in dematerialized form
								No. of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX	X	XI=VII+X	XII		XIII		XIV	
A	Promoter & Promoter Group	4	15,18,313	-	-	15,18,313	59.80	-	-	59.80	-	-	-	-	15,18,244*	
B	Public	185	10,20,867	-	-	10,20,867	40.20	-	-	40.20	-	-	-	-	9,21,698	
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>189</b>	<b>25,39,000</b>	<b>-</b>	<b>-</b>	<b>25,39,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,39,942</b>	

Note:

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

\*We have made application for dematerialization 69 shares of our Promoter group which is yet in physical mode.

16. Following is the details of the aggregate shareholding of Our Promoter and Promoter Group before and after the Issue is set forth below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of equity shares	As a % of Pre-Issued Capital	No. of equity shares	As a % of Post- Issue Capital
<b>A</b>	<b>Promoter</b>				
1	Manan Mahajan	12,72,705	50.13	12,72,705	34.04
	<b>Total (A)</b>				
<b>B</b>	<b>Promoter Group &amp; Relatives</b>	-	-	-	-
	Rajni Mahajan	2,45,539	9.67	2,45,539	6.57
	Shashi Mahajan	46		46.00	0.00
	Sabha Jit Mahajan	23	0.00	23.00	0.00
	<b>Total (B)</b>				
<b>C</b>	<b>TOTAL (A+B)</b>	<b>15,18,313</b>	<b>59.80</b>	<b>15,18,313</b>	<b>40.57</b>

**17. Cost of Acquisition of Shares & Weighted Average Cost of the Shares Acquired by our Promoters**

The weighted average price of the equity shares acquired by our Promoter within last one (1) year from the date of filing of this Draft Prospectus are set forth below:

Name of Promoter	No. of equity share Acquired within the last one year	Weighted Average Price (in Rs.)*
Mr. Manan Mahajan	7,70,234	0.42

\*As certified by Manoj Mahajan & Associates., Chartered Accountants, by way of their certificate dated September 02, 2022.

**Average Cost of Acquisition of Shares**

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

Name of Promoter	No. of equity share held	Average cost of acquisition (in Rs.)*
Mr. Manan Mahajan	12,72,705	1.90

\*As certified by Manoj Mahajan & Associates., Chartered Accountants, by way of their certificate dated September 02, 2022.

18. None of the Promoter, members forming a part of Promoter Group, Promoter Group Companies/Entities, Directors and their immediate relatives have purchased or sold or transferred any Equity shares of our Company within the last 6 (Six) months immediately preceding the date of this Draft Prospectus.

**19. List of shareholders holding 1% or more of the paid up share capital of our Company:-**

(a) As on the date of this Draft Prospectus:

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Manan Mahajan	12,72,705	50.13
2.	Rajni Mahajan	2,45,539	9.67
3.	Chetan Mehra	71,971	2.83
4.	Rajan Arora	44,566	1.76
5.	Kanwaljit Singh	32,785	1.29
6.	Anupama Lakhera	32,000	1.26



Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
7.	Payal Arora	31,000	1.22
8.	Sanjay Rupani	26,656	1.05
	<b>Total</b>	<b>17,57,222</b>	<b>69.21</b>

(b) 10 days prior to the date of this Draft Prospectus:

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Manan Mahajan	12,72,705	50.13
2.	Rajni Mahajan	2,45,539	9.67
3.	Chetan Mehra	71,971	2.83
4.	Rajan Arora	44,566	1.76
5.	Kanwaljit Singh	32,785	1.29
6.	Anupama Lakhera	32,000	1.26
7.	Payal Arora	31,000	1.22
8.	Sanjay Rupani	26,656	1.05
	<b>Total</b>	<b>17,57,222</b>	<b>69.21</b>

(c) 1 year prior to the date of filing this Draft Prospectus:

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Manan Mahajan	4,65,471	48.10
2.	Rajni Mahajan	51,445	5.32
3.	Chetan Mahajan	45,000	4.65
4.	Chetan Mehra	30,240	3.12
5.	Kanwaljit Singh	13,775	1.42
6.	Sanjay Rupani	11,200	1.16
7.	Ram Nayan	9,796	1.01
	<b>Total</b>	<b>6,26,927</b>	<b>64.78</b>

d) 2 years prior to the date of filing this Draft Prospectus:

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Manan Mahajan	4,65,471	48.10
2.	Rajni Mahajan	51,445	5.32
3.	Chetan Mahajan	45,000	4.65
4.	Chetan Mehra	30,240	3.12
5.	Kanwaljit Singh	13,775	1.42
6.	Sanjay Rupani	11,200	1.16
7.	Ram Nayan	9,796	1.01
	<b>Total</b>	<b>6,26,927</b>	<b>64.78</b>

20. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as mentioned below and as stated in the chapter titled '*Our Management*' beginning on page no. 118 of this Draft Prospectus.

Sr. No.	Name of the KMP's	Designation	No. of Shares held in our Company	% of pre-issue paid-up Equity Share Capital
1.	Manan Mahajan	Whole Time Director cum CFO	12,72,705	50.13
2.	Rajni Mahajan	Managing Director	2,45,539	9.67
	<b>Total</b>		<b>15,18,244</b>	<b>59.80</b>

21. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the 6 (Six) months preceding the date of this Draft Prospectus.
22. Our Company shall ensure that transactions in the Equity Shares by the Promoter and members forming a part of the Promoter Group and/ or Group Companies/Entities between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
23. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
24. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
25. Except as disclosed in this Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
26. There have been no financial arrangements whereby our Promoter, Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of this Draft Prospectus, other than in the normal course of business of the financing entity.
27. There are no persons belonging to the category “Public” who are holding the securities (including shares, warrants, convertible securities of our Company more than 5% of the total number of shares as on the date of this Draft Prospectus.
28. Except for aggregate 2,38,978 Equity Shares whose holding is 9.41% of the Pre-Issue, Subscribed and Paid-Up Share Capital in our company, there are no persons belonging to the category “Public” is holding the securities (including shares, warrants, convertible securities of our Company more than 1% of the total number of shares as on the date of this Draft Prospectus.

<b>Sr. No.</b>	<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of the Pre-Issue Capital</b>
1	Chetan Mehra	71,971	2.83
2	Rajan Arora	44,566	1.76
3	Kanwaljit Singh	32,785	1.29
4	Anupama Lakhera	32,000	1.26
5	Payal Arora	31,000	1.22
6	Sanjay Rupani	26,656	1.05
7	<b>Total</b>	<b>2,38,978</b>	<b>9.41</b>

29. Our Company, our Promoter, our Directors and the Lead Manager to the Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
30. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

31. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicant for making an application, except for fees or commission for services rendered in relation to the Issue.
32. There are no safety net arrangements for this Public Issue.
33. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018, as amended from time to time.
34. An oversubscription to the extent of 10% of the Net Issue can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoter and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in for 3 years.
35. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
36. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under **“Basis of Allotment”** in the chapter titled **“Issue Procedure”** beginning on page no. 202 of this Draft Prospectus.
37. Under-subscription in the net Issue, 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 Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
38. As per RBI regulations, OCBs are not allowed to participate in the Offer.
39. The Issue is being made through Fixed Price method.
40. None of the other Promoter and members of our Promoter Group will participate in this Issue.
41. Our Company has not raised any bridge loan against the proceeds of the Issue.
42. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
43. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
44. An Applicant cannot make an application for more than the number of Equity Shares being issued through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
45. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in the Issue.
46. We have 189 shareholders as on the date of filing of this Draft Prospectus.
47. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
48. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (determined as per the definition of ‘associate company’ under Section 2(6) of the Companies Act, 2013) do not hold any Equity

Shares in our Company. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

## SECTION VII – PARTICULARS OF THE OFFER

### OBJECTS OF THE ISSUE

The objects of the Issue are to achieve the benefits of listing the Equity Shares on the Stock Exchange with Issue of up to 12,00,000 Equity Shares, aggregating to Rs. 372.00 Lakhs, subject to finalisation of the Basis of Allotment. For details of the Issue, see “The Issue” on page 44. Further, the listing of Equity Shares will enhance our Company’s brand name and provide liquidity to the existing Shareholders.

The Issue comprises of fresh public Issue of up to 12,00,000 Equity Shares of our Company at an Issue Price of Rs. 31/- per Equity Share. The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

- 1) To meet the Working Capital requirements; and
- 2) General Corporate Expenses.

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

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “*History and Certain Corporate Matters*” on page 113.

#### Issue Proceeds and Net Proceeds

The details of the issue proceeds are summarized below:

Particulars	Amount (Rs. In Lakhs)
Gross Proceeds of the Issue	372.00
Less: Fresh Issue related expenses	(36.00)
<b>Net Proceeds of the Issue (Net Proceeds)</b>	<b>336.00</b>

#### Utilization of Funds and Means of Finance:

We intend to utilize the proposed net proceeds in the manner set forth below:

(Rs. In Lakhs)		
Sr. No.	Objects of the Issue	IPO Proceeds
1.	To meet the Working Capital requirements	250.00
2.	General Corporate Expenses	86.00
	<b>Total</b>	<b>336.00</b>

The capital expenditure of ₹336.00 Lakhs will be met from the Net Proceeds and the balancing amount will be funded through Company’s internal accruals and hence, no amount is proposed to be raised through any other means of finance. The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates and have not been appraised by any bank, financial institution or any other external agency.

Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment,

costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management.

In case of variations in the actual utilisation of funds earmarked for the purpose set forth above or shortfall in the Net Proceeds, increased fund requirement may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards the said Object is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue.

In the event of any shortfall in the Net Proceeds or in case of delay in raising funds through the IPO, our Company may deploy certain amounts towards any of the above-mentioned Object of Issue through a combination of Internal Accruals and/ or unsecured loans and/ or seeking additional debt from existing and future lenders or such balance will be used for future growth opportunities including funding existing objects, if required and in such case funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part of the Issue Proceed shall be utilized for repayment of any part of outstanding unsecured loan as on date of filing the Prospectus.

Our management, in response to the competitive and dynamic nature of the industry and specifically that of our business, will have the discretion to revise its business plan and expenditure from time to time and consequently our funding requirement and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations also include rescheduling and/ or revising the proposed utilization of Proceeds and increasing or decreasing expenditures for a particular object vis-à-vis the utilization of Proceeds.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page no. 24.

### Schedule of Implementation

The entire Issue proceeds will be utilized during FY 2022-23.

### Deployment of Funds in the Objects

As on the date of the Draft Prospectus, our Company has not incurred any expenditure on the Objects. As on the date of the Prospectus, our Company has not deployed any amount on the Objects of the Issue.

<b>(Rs. In Lakhs)</b>			
<b>Sr. No.</b>	<b>Objects of the Issue</b>	<b>Expenses Already Incurred till March 31, 2022</b>	<b>Utilization of Issue Proceeds (for FY 2022-23)</b>
1.	To meet the Working Capital requirements	-	250.00
2.	General Corporate Expenses	-	86.00
3.	To meet the expenses of the Issue	-	36.00
	<b>Total</b>	-	<b>372.00</b>

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

### DETAILS OF THE OBJECTS OF THE ISSUE

#### I. TO MEET INCREMENTAL WORKING CAPITAL REQUIREMENTS

We will need additional working capital for the growth of our business. We have estimated our additional working capital requirements for FY 2022-23 which will be funded through the proposed public issue. The working capital will be primarily used for expanding our current business operations. Our Company proposes to meet the incremental requirement to the extent of Rs. 281.00 Lakhs for the FY 2022-23 from the Net Proceeds of the Issue. The details of estimation of working capital are as mentioned below:

**Basis of estimation of working capital requirement and estimated working capital requirement:**

The details of Company's working capital as at March 31, 2021, March 31, 2022 and March 31, 2023 and the source of funding, on the basis of Financial Statements, as certified by our Statutory Auditor, Manoj Mahajan & Associates, Chartered Accountants through their report dated August 18, 2022, are provided in the table below:

Particulars	2019-20	No.	2020-21	No.	2021-22	No.	2022-23	No.
	Audited	of Days	Audited	of Days	Audited	of Days	Estimated	of Days
<b>(Rs. In Lakhs)</b>								
<b><u>Current Assets</u></b>								
Inventories	110.01	90.06	113.14	66.59	95.50	26.30	168.61	43.09
Sundry Debtors	7.09	5.80	2.80	1.65	2.98	0.82	25.07	5.76
Cash & Bank Balances	41.48	-	34.42	-	70.89	-	81.09	-
Short Term Loans and advance	4.75	-	0.28	-	0.28	-		-
Other Current Assets	7.83	-	16.88	-	8.03	-	8.31	-
<b>Total Current Assets (A)</b>	<b>171.16</b>	<b>-</b>	<b>167.53</b>	<b>-</b>	<b>177.70</b>	<b>-</b>	<b>283.08</b>	<b>-</b>
<b><u>Current Liabilities</u></b>								
Other Current Liabilities	6.53		0.60	-	0.40	-	2.93	-
Sundry Creditors	0.01	-	0.13	-	-	-	-	-
<b>Total Current Liabilities (B)</b>	<b>6.54</b>	<b>-</b>	<b>0.73</b>	<b>-</b>	<b>0.40</b>	<b>-</b>	<b>2.93</b>	<b>-</b>
<b>Total Working Capital Requirements (A-B)</b>	<b>164.62</b>	<b>-</b>	<b>166.80</b>	<b>-</b>	<b>177.30</b>	<b>-</b>	<b>280.15</b>	<b>-</b>
Less: Existing Borrowings from Banks & Others Financial Institutions	-	-	-	-	-	-	-	-
<b>Net Working Capital Requirement</b>	<b>164.62</b>		<b>166.80</b>	<b>-</b>	<b>177.30</b>	<b>-</b>	<b>280.15</b>	<b>-</b>
<b>Proposed Working Capital to be funded from IPO</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250.00</b>	<b>-</b>
Funded/ Funding through internal accruals/ own funds /unsecured loan	164.62		166.80	-	177.30	-	30.15	-

**II. GENERAL CORPORATE EXPENSES**

Our management, in accordance with the policies of our Board, will deploy Rs. 86.00 Lakhs from Net Proceeds towards the general corporate expenses to drive our business growth.

In accordance with the policies set up by our Board, we have flexibility in utilizing the remaining Net Proceeds not exceeding 25% of the amount raised by our Company through this Issue, for general corporate purpose including but not restricted to, meeting operating expenses, branding, promotion, advertisements and meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

Further, our management confirms that

- any issue related expenses shall not be considered as a part of General Corporate Purpose; and
- the amount deployed towards general corporate expense, as mentioned above in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

### III. TO MEET THE EXPENSES OF THE ISSUE

The total issue related expenses are estimated to be approximately Rs. 36.00 Lakhs which 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:

		(Rs. In Lakhs)
Sr. No.	Particulars	Amount
1.	Issue management fees including fees and reimbursements of Market Making fees and payment to other intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	22.50
2.	Advertising and marketing expenses	3.00
3.	Printing & Stationery, Distribution, Postage	3.00
4.	Regulatory and other statutory expenses including Listing Fee	7.50
	<b>Total estimated Issue expenses</b>	<b>36.00</b>

*@ please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.*

#### Bridge Financing Facilities

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

#### Appraisal by Appraising Agency

The fund requirements and deployment is based on internal management estimates and has not been appraised by any banks or financial institutions.

#### Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act, 1934, as amended from time to time. Such deposits will be approved by our management from time to time.

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

#### Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2022-23.

#### Monitoring of Issue Proceeds

As the size of the Fresh Issue does not exceed Rs. 10,000 Lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee.

Pursuant to 32 of the SEBI (LODR) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a



statement of funds utilized for purposes other than stated in this 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. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

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

### **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. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and applicable rules. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in vernacular language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the proposal to vary the objects, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders, at such a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, Associates, Key Management Personnel or Group Companies, except as may be required in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the chapter titled “**Business Overview**” and its financial statements under the section titled “**Financial Information**” beginning on pages 24, 88 and 142 respectively. The summary financial information presented below should be read in conjunction with the chapters and notes mentioned therein, please refer to the chapters titled “**Financial Statement**” and “**Management’s Discussion and Analysis Of Financial Conditions And Results Of Operations**” beginning on page no. 142 and 165, respectively of this Draft Prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Period	Basic and Diluted EPS (In Rs.)	Weights
Fiscal 2020	0.03	1
Fiscal 2021	0.09	2
Fiscal 2022	0.36	3
<b>Weighted Average</b>	<b>0.22</b>	

**Notes:**

- (i) The figures disclosed above are based on the restated financial statements of the Company.
- (ii) The face value of each Equity Share is Rs. 10.00.
- (iii) Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- (iv) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing on page no.142.
- (v) Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
- (vi) Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
- (vii) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].

### 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 31:

Particulars	P/E at the Issue Price of Rs. 31:
Based on the Basic and Diluted FY 2021-22	344.44
Based on the Weighted Average Basic and Diluted EPS	86.75
<b>Industry P/E</b>	
Highest	676
Lowest	2.26
Average	678.26

**Note:**

- (i) Industry P/E is based as on unaudited financials March 31, 2022; Source for industry P/E: [www.moneycontrol.com](http://www.moneycontrol.com). Please note the companies mentioned are the nearest comparable but not exactly comparable.
- (ii) P/E Ratio = Issue Price/ EPS
- (iii) Since there is only a single company in the similar line of business as ours and is listed on the Stock Exchange, hence, the high, low and average price cannot be ascertained.

### 3. Average Return on Net Worth (RoNW):

Period	Return on Net Worth (%)	Weights
Fiscal 2020	4.28	1
Fiscal 2021	0.45	2
Fiscal 2022	0.15	3

Period	Return on Net Worth (%)	Weights
<b>Weighted Average</b>	<b>0.94</b>	

Note:

- (i) The RONW has been computed by dividing net profit after tax(excluding exceptional income, if any) as restated, by Net Worth (excluding revaluation reserve, if any) as at the end of theyear/ period excluding miscellaneous expenditure to the extent not written off.
- (ii) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e.  $[(RoNW \times Weight) \text{ for each fiscal}] / [Total \text{ of weights}]$ .

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

Particulars	NAV (in Rs.)
As on March 31, 2022	8.27
NAV after the Issue	5.26
Issue Price	31.00

Note:

- NAV per Equity Share will be calculated as net worth divided by number of equity shares outstanding at the end of the year.

#### 5. Peer Competitors - Comparison of Accounting Ratios:

Name of the Company	CMP *	Face Value (In Rs.)	EPS (In Rs.) **	P/E Ratio #	RONW (%) #	Book Value (In Rs.) #
O. P. Chains Limited	11.25	10	0.07	160.71	0.16	44.66
<b>Amanaya Ventures Limited ***</b>	31.00	10	0.36	86.11	4.28	8.29

\*Closing price on July 12, 2022 at BSE and for our Company its considered as Issue Price.

\*\*Source: BSE on March 30, 2022; # Source: Money Control; based on FY 2022 financial statements.

\*\*\*Based on March 31, 2022 financial statements.

6. The face value of Equity Shares of our Company is Rs. 10 per Equity Share and the Issue Price of Rs. 31/- per Equity Share is 3.1 times the face value.
7. The Issue Price of Rs. 31 is determined by our Company in consultation with the Lead Manager and 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 '**Financial Statement**' beginning on page no. 24, 88 and 142, respectively of this Draft Prospectus.

## STATEMENT OF TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO AMANAYA VENTURES LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,  
**The Board of Directors,**  
**Amanaya Ventures Limited**  
69-70, Deep Complex, Court Road,  
Amritsar-143001, Punjab, India

**Sub: Statement of possible special tax benefits (“the Statement”) available to Amanaya Ventures Limited (“the Company”) and its shareholders prepared in accordance with the requirements of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018, as amended (“the Regulations”)**

Dear Sir/ Madam,

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) and as prepared by the management of the Company states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2019 (i.e. applicable to Financial Year 2021-22 relevant to Assessment Year 2022-23) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions which based on business imperatives which the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed public offer, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

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

Our views are based on facts indicated to us, the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any such events subsequent, which may have a material effect on the discussions herein. Our views are exclusively for the limited use of the captioned Company in connection with its proposed public offer referred to herein above and shall not, without our prior written consent, be disclosed to any other person.

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

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and for inclusion in the Prospectus in connection with the proposed offer of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**Yours faithfully,**

**For Manoj Mahajan & Associates,  
Chartered Accountants  
Firm Registration No.: 032268N**

**Mr. Manoj Mahajan  
Membership No.: 547186  
Partner**

**UDIN: 22547186AQUOFR1337**

**Place: Amritsar  
Date: 18/08/2022**

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2021-22. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

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

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

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

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

**Notes:**

- 1) All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
- 2) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- 3) The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y. 2021-22 relevant to A.Y. 2022-23.

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 offer document.

## SECTION VIII – ABOUT US

### INDUSTRY OVERVIEW

*The information in this section has not been independently verified by us or any other person connected with the Offer or by any of our or their respective affiliates or advisors. This section also includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Further, the Investors should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page no. 24 and 142 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.*

### GLOBAL ECONOMY

#### GLOOMY AND MORE UNCERTAIN

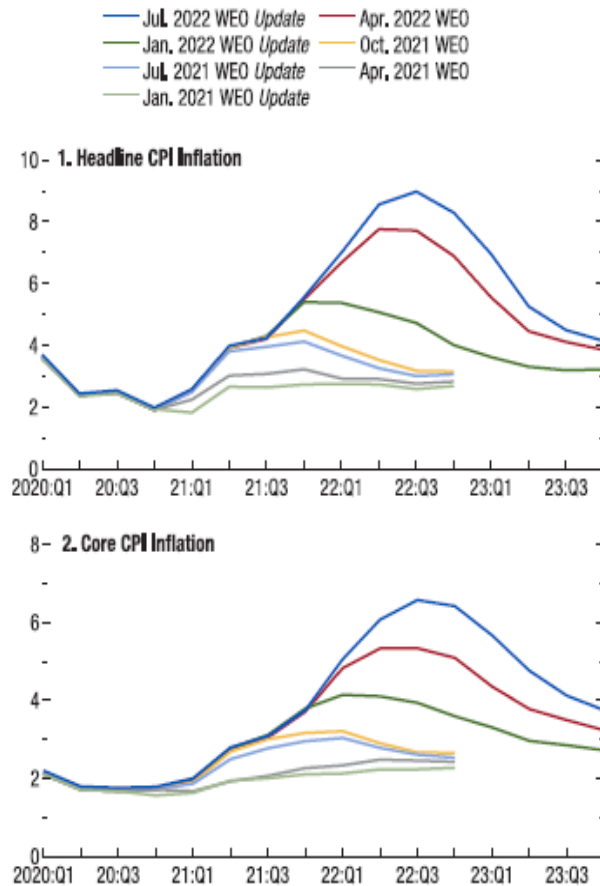
**Global slowdown intensifies as downside risks materialize.** A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022. Performance was slightly better than expected in the first quarter, but world real GDP is estimated to have shrunk in the second quarter—the first contraction since 2020—owing to economic downturns in China and Russia. Downside risks discussed in the April 2022 World Economic Outlook are materializing, with higher inflation worldwide, especially in the United States and major European economies, triggering a sharp tightening in global financial conditions; a sharper-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative cross-border effects from the war in Ukraine.

**Global inflation again surprises on the upside, prompting more central bank tightening.** Since 2021, consumer prices have consistently risen faster than widely expected, including in the World Economic Outlook (Figure 1). In the United States, the consumer price index rose by 9.1 percent in June, compared with a year earlier, and it also rose by 9.1 percent in the United Kingdom in May—the highest inflation rates in these two countries in 40 years. In the euro area, inflation in June reached 8.6 percent, its highest level since the inception of the monetary union. Equally concerning, in emerging market and developing economies, second-quarter inflation is estimated to have been 9.8 percent. Higher food and energy prices, supply constraints in many sectors, and a rebalancing of demand back toward services have in most economies driven up headline inflation. But underlying inflation has also increased, as reflected in different gauges of core inflation, reflecting the pass-through of cost pressures by way of supply chains and tight labor markets, especially in advanced economies.<sup>1</sup> Wage growth has on average not kept up with inflation across both advanced and emerging market and developing economies, eroding household purchasing power. Although long-term inflation expectations have been stable in most major economies, they have started to rise according to some measures, including in the United States (Figure 2). In response to incoming data, central banks of major advanced economies are withdrawing monetary support more assertively and raising policy interest rates faster than expected in the April 2022 World Economic Outlook. Central banks in several emerging market and developing economies have raised interest rates more aggressively than during past advanced economy tightening cycles. The associated rise in longer-term borrowing costs, including mortgage rates, and tighter global financial conditions (see box) have led to precipitous declines in equity prices, weighing on growth. At the same time, public COVID-19 support packages have been wound down.

**China’s economic slowdown has added to global supply chain disruptions.** COVID-19 outbreaks and mobility restrictions as part of the authorities’ zero-COVID strategy have disrupted economic activity widely and severely (Figure 3). Shanghai, a major global supply chain hub, entered a strict lockdown in April 2022, forcing citywide economic activity to halt for about eight weeks. In the second quarter, real GDP contracted significantly by 2.6 percent on a sequential basis, driven by lower consumption—the sharpest decline since the first quarter of 2020, at

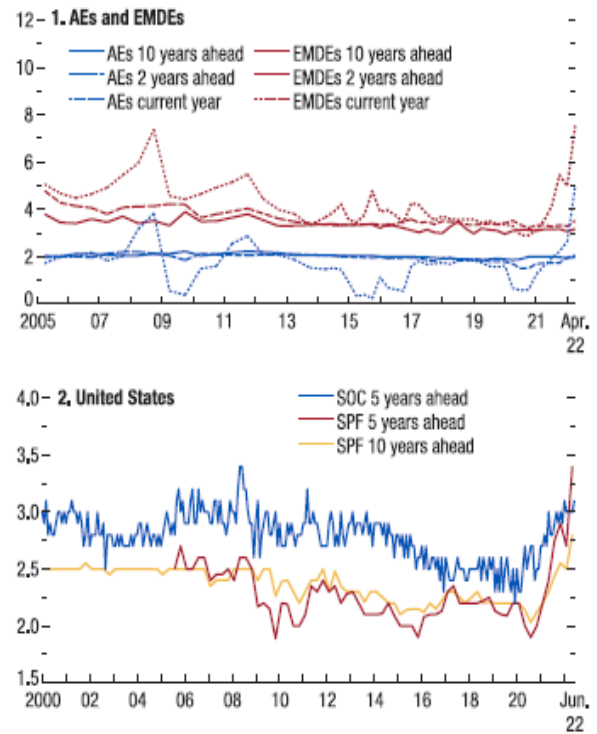
the onset of the pandemic, when it declined by 10.3 percent. Since then, more contagious variants have driven a worrisome surge in COVID-19 cases. The worsening crisis in China's property sector is also dragging down sales and real estate investment. The slowdown in China has global consequences: lockdowns added to global supply chain disruptions and the decline in domestic spending are reducing demand for goods and services from China's trade partners.

**Figure 1. Global Inflation Forecasts: Serial Upside Surprises (Percent)**



Source: IMF staff calculations.  
 Note: Global inflation is a weighted average of individual countries' numbers using GDP valued at purchasing power parity as weights. WEO = World Economic Outlook.

**Figure 2. Longer-Term Inflation Expectations (Percent)**



Sources: Consensus Economics; Federal Reserve Bank of Philadelphia; University of Michigan; and IMF staff calculations.  
 Note: Panel 1 shows median consensus forecasts for respective groups of economies. Consensus Economics forecasts are current year consumer price index inflation forecasts and 2-year-ahead inflation forecasts; for 10-year expectations, they are averages over the 6- to 10-year-ahead horizon. The SOC 5-year-ahead expectations are the average inflation expectations over the following 5 to 10 years. The SPF longer-term forecasts are for the annual averages of inflation over the following 5 and 10 years, respectively. AEs = advanced economies; EMDEs = emerging market and developing economies; SOC = surveys of consumers; SPF = survey of professional forecasters.

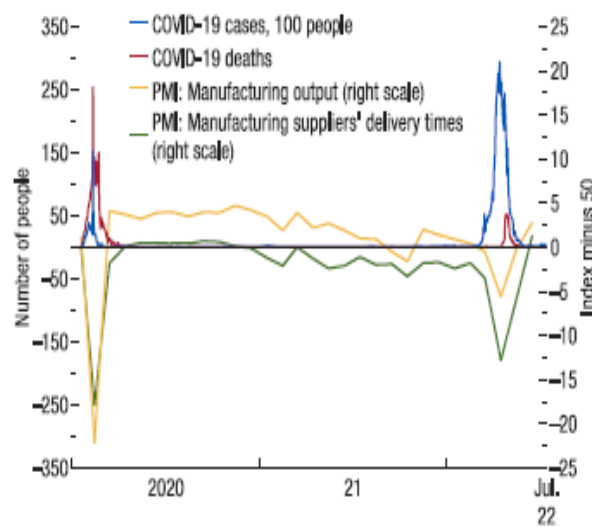
**The war in Ukraine continues, causing widespread hardship.** The war's humanitarian cost is rising, with 9 million people having fled Ukraine since the Russian invasion started and continuing loss of life and destruction of physical capital. Since April 2022, major advanced economies have placed additional financial sanctions on Russia, and the European Union agreed on embargoes on imports of coal starting in August 2022 and on Russian seaborne oil starting in 2023. The European Union announced that it will block insuring and financing maritime transport of Russian oil to third countries by the end of 2022. At the same time, the Organization of the Petroleum Exporting Countries has agreed to bring forward increases in oil supply that were planned for September, and the Group of Seven plans to study the possibility of introducing a price ceiling on Russian exports of crude oil. These offsetting developments mean that the increase in international crude oil prices compared with last year is overall only slightly lower than predicted in the April 2022 World Economic Outlook. More recently, the flow of Russian pipeline gas to Europe has declined sharply to about 40 percent of the level a year ago, contributing to a steep increase in natural



gas prices in June. Russia’s economy is estimated to have contracted during the second quarter by less than previously projected, with crude oil and nonenergy exports holding up better than expected. In addition, domestic demand is also showing some resilience thanks to containment of the effect of the sanctions on the domestic financial sector and a lower-than-anticipated weakening of the labor market. Relatedly, the war’s effects on major European economies have been more negative than expected, owing to higher energy prices as well as weaker consumer confidence and slower momentum in manufacturing resulting from persistent supply chain disruptions and rising input costs.

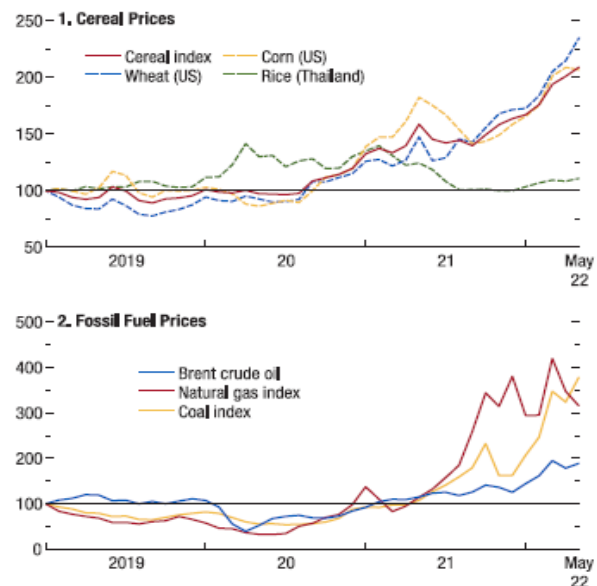
**The food crisis worsens.** Global food prices have stabilized in recent months but remain much higher than in 2021 (see Figure 4). The principal driver of global food price inflation—particularly prices of cereal, such as wheat—has been the war in Ukraine; export restrictions in several countries have compounded global food price increases, although a few of these restrictions have recently lapsed. Low-income countries, where food represents a larger share of consumption, are feeling the impact of this inflation most keenly. Countries with diets tilted toward commodities with the largest price gains (especially wheat and corn), those more dependent on food imports, and those with a large pass-through from global to local staple food prices are most distressed. Low-income countries whose people were already experiencing acute malnutrition and excess mortality before the war, especially in sub-Saharan Africa, have suffered a particularly severe impact.

**Figure 3. China: COVID-19 Outbreaks and Supply Chain Disruptions**



Sources: National Bureau of Statistics of China; National Health Commission of China; and IMF staff calculations.  
Note: PMI = purchasing managers' index,

**Figure 4. Higher Food and Energy Prices**  
(Index, January 2019 = 100)



Sources: IMF, Primary Commodity Price System; and IMF staff calculations.  
Note: Cereal index comprises barley, maize (corn), oats, rice, sorghum, and wheat; natural gas index comprises European, Japanese, and US natural gas price indices; coal index comprises Australian and South African coal.

**Global trade:** Global trade growth in 2022 and 2023 will likely slow by more than previously expected, reflecting the decline in global demand and supply chain problems. The dollar’s appreciation in 2022—by about 5 percent in nominal effective terms as of June compared with December 2021—is also likely to have slowed world trade growth, considering the dollar’s dominant role in trade invoicing as well as negative financial balance sheet effects on demand and imports in countries with dollar-denominated liabilities.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>)

## **INDIAN ECONOMY**

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilisation in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

Future capital spending of the government in the Indian economy is expected to be supported by factors such as tax buoyancy, streamlined tax system, thorough assessment and rationalisation of the tariff structure and digitisation of tax filing. In the medium term, an increase in capital spending on infrastructure and asset-building projects is set to increase growth multipliers. Furthermore, revival in monsoon and Kharif sowing helped the agriculture sector gain momentum. As of July 11, 2022, the South-West monsoon has covered the entire country, resulting in 7% higher rainfall than the normal level.

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

## **MARKET SIZE**

- India's nominal GDP at current prices was estimated at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy, and is planning to achieve 40% of its energy from non-fossil sources by 2030.
- According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between this period India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 1.2% of GDP in 2021-22.
- Exports fared remarkably well during the pandemic and aided recovery when all other growth engines lost steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

## **RECENT DEVELOPMENTS**

India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity. With the economic scenario improving on recovering from the COVID-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also launching growth-oriented policies to boost the economy. In view of this, the country witnessed many developments in the recent past, some of which are mentioned below.

- As of July 15, 2022, India's foreign exchange reserves reached US\$ 572.71 billion.

- Private equity-venture capital (PE-VC) sector investments stood at US\$ 34.1 billion, up 28% YoY, across 711 deals through January-June 2022.
- India's merchandise exports stood at US\$ 676.2 billion in FY22. In June 2022, India's merchandise exports stood at US\$ 37.9 billion, recording the highest ever exports in June 2022.
- PMI Services was at 58.9 in May 2022 compared to 57.9 in April 2022.
- In June 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 1.44 trillion (US\$ 18.1 billion).
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 588.53 billion between April 2000-March 2022.
- In May 2022, the Index of Industrial Production (IIP) stood at 137.7 driven by mining, manufacturing and electricity sectors.
- Consumer Price Index (CPI) inflation stood at 7.01% in June 2022 compared to 7.04% in May 2022.
- In July 2022 (until 21 July 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 228,862 crore (US\$ 28.65 billion) Wheat procurement in Rabi 2021-22 and anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## **GOVERNMENT INITIATIVES**

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

- In July 2022, the Union Cabinet chaired by the Prime Minister, Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India and Maldives. This MoU will provide a platform to tap the benefits of IT for court digitisation, and can be a potential growth area for IT companies and start-ups in both the countries.
- India and Namibia entered into an MoU on wildlife conservation and sustainable biodiversity utilisation on July 20, 2022, for establishing the cheetah's habitat in the historical forest range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed artificial intelligence (AI) products and technologies during the first-ever "AI in Defence" (AIDef) symposium and exhibition, organised by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022:

- Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow.
- The projects encompass diverse sectors such as Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked an MoU with Lysterra, LLC, a Russia-based company, for the commercialisation of biocapsule, an encapsulation technology for bio-fertilisation on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners, including major trade agreements such as the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).

- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.

- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

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

## INDIAN BULLION INDUSTRY

India is one of the largest markets for gold, and growing affluence is driving growth in demand.

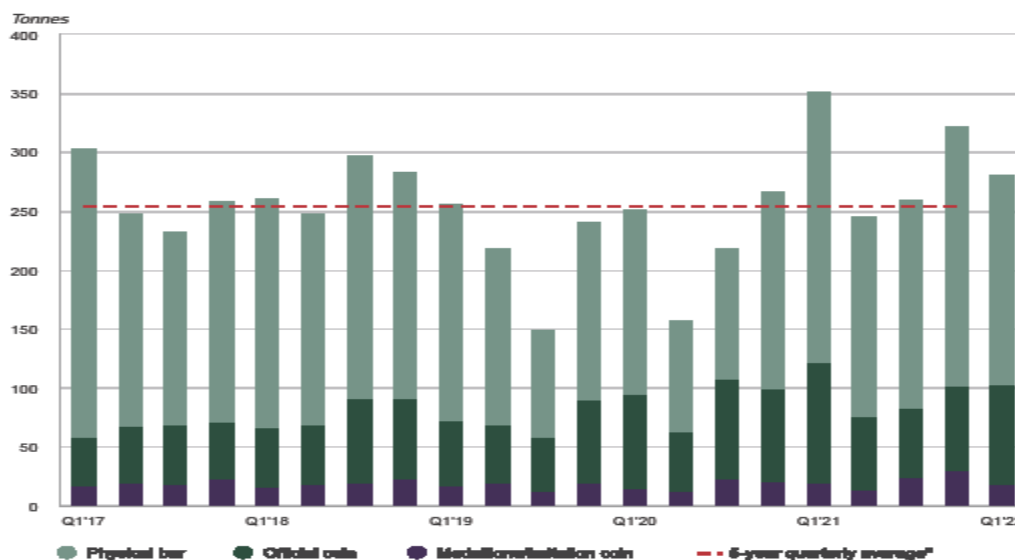
Gold has a central role in the country’s culture, considered a store of value, a symbol of wealth and status and a fundamental part of many rituals. Among the country’s rural population, a deep affinity for gold goes hand in hand with practical considerations of the portability and security of jewellery as an investment. Gold is considered to be auspicious, particularly in Hindu and Jain cultures. The ancient law-giver Manu decreed that gold ornaments should be worn for important ceremonies and occasions. Aside from Diwali, one of the most important dates in the Indian calendar, regional festivals across the country are celebrated with gold: in the south, Akshaya Tritiya, Pongal, Onam and Ugadi; in the east, Durga Puja; in the west, GudiPavda; in the north, Baisakhi and Karva Chauth. Gold is central to more personal life events too. Gifting gold is a deeply ingrained part of marriage rituals in Indian society—weddings generate approximately 50 percent of annual gold demand in India.

### Bar and coin

Retail investment totalled 282t in Q1. This was 20% weaker than Q1’21, although the y-o-y comparison is affected by the fact that investment in the year-earlier period was very strong. From a longer-term perspective, investment demand remains healthy: 11% higher than the five-year quarterly average of 254t.

Bar and coin investment was mixed across markets. The sharp rise in the US\$ gold price did not quite reach the 2020 record, but foreign exchange movements meant that local prices in a number of currencies were at or close to new historical highs. This generated profit-taking in some markets, notable examples being Turkey and Japan, and this outweighed continued safe-haven investment elsewhere.

### Retail bar and coin investment fell 20% y-o-y in Q1, but held above 5-year quarterly average



Indian bar and coin investment increased 5% y-o-y to 41t – the strongest first quarter since 2014. Retail investors focused on gold’s safe haven attributes amid volatility in local equity markets and the war in Ukraine. The BSE Sensex index fell sharply between mid-January and early March in contrast to the rapid climb in local gold prices over the same period. Investors were attracted by gold’s strong relative (and actual) returns, particularly given the paltry return on government bonds.

However, increased volatility in the gold price sent a note of caution and demand tailed off towards the end of the quarter, pushing the local price to a fairly wide premium during March. Underlying investment demand remains healthy, but any further price volatility would likely discourage investment to an extent.

India’s gold market continues to make strides towards developing its position on the global stage. Trading on the India International Bullion Exchange (IIBX) launched in April, with the first bullion deposit repository (BDR) created and traded. The IIBX is expected to become a conduit for gold imports in India and the launch of trading on this platform is a first step towards establishing India as one of the world’s leading bullion trading hubs.

Having reached a record high in Q4’21, jewellery demand in India fell by 26% y-o-y in Q1 to 94t. The lack of auspicious gold-buying days and wedding days in January was followed by a sharp rise in the gold price in late February/early March – a combination that proved detrimental to jewellery buying. The gold price breached the key psychological Rs50,000/10gm at the end of February, before rising to above Rs53,000/10gm in March. In response, consumers postponed gold purchases, hoping for a price correction...or at least a stabilisation. Sluggish demand in March resulted in the local market discount widening as far as US\$60/oz – its highest for 18 months. The outlook for Q2 demand in India is positive, although further increases in the gold present a downside risk to demand. Demand in the second quarter will receive support from festival purchases (Akshaya Tritiya – a key gold-buying festival – falls in the first week of May) and wedding season buying. Underlying consumer sentiment is improving, which should also prove supportive: the Reserve Bank of India’s Consumer Confidence Index increased to 71.7 in March from 64.4 in January. However, demand could face headwinds should there be further increases – or heightened volatility – in the gold price, while broad-based inflation may also curb demand by squeezing disposable incomes.

<b>Tonnes</b>	<b>Q1'21</b>	<b>Q1'22</b>	<b>YoY % change</b>
<b>Investment</b>	181.8	550.7	203
Bar & coin	351.8	281.9	-20
India	39.3	41.3	5
China, P.R.:Mainland	86.5	49.3	-43
Gold-backed ETFs	-170.0	268.8	

Investment demand for gold in Q1 returned to levels that were last seen during the early months of the pandemic in 2020, fuelled by similar drivers: namely, safe haven flows and high/rising gold prices. Heightened geopolitical risk, caused by the invasion of Ukraine, encouraged investment flows, which fed through to a sharp rise in the gold price. Inflation concerns – already supportive for gold investment – were accelerated by the conflict, with data prints showing prices across the globe rising at a multi-decade, if not record, pace. Rising interest rates were, however, a continued headwind and this likely tempered investment inflows to an extent.

(Source: <https://www.gold.org/>)

## BUSINESS OVERVIEW

*This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled 'Risk Factors', 'Financial Statement' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page no. 24, 142 and 165 respectively, of this Draft Prospectus.*

*Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Amanaya Ventures Limited.*

Our Company was originally incorporated as Amanaya Financial Services Private Limited on February 27, 2009 under the Companies Act, 1956 vide certificate of incorporation issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. Subsequently the name of the company was changed from "Amanaya Financial Services Private Limited" to "Amanaya Ventures Private Limited" under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extraordinary General Meeting held on September 14, 2015 and had obtained fresh certificate of incorporation dated September 16, 2015 issued by the Assistant Registrar of Companies, Chandigarh. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated October 09, 2015 and the name of our Company was changed to "Amanaya Ventures Limited" to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Chandigarh dated October 15, 2015. The CIN of the Company is U51101PB2009PLC032640.

Our company has completed its amalgamation with its associate company i.e. Midland Services Limited in the F.Y. 2019-20. The amalgamation of the Midland Services Limited into our Company inter-alia resulted in the alignment of businesses of the Midland Services Limited and our Company as both the Companies were in the same line of business thereby resulted in rationalization and standardization of the business processes, economies of scale, reduction in overheads, administrative, managerial and other expenditure, organizational efficiency, and optimal utilization of resources which was beneficial for all members and other stakeholders.

It provides significant impetus to the growth in the form of optimum utilization of various recourses with reduction in overheads, administrative costs, managerial and other expenditure, provide holistic services, appropriate channelization of synergies, direct operational efficiencies and consolidated revenue and profitability.

Our Company was formed with the objective of promoting SPOT buying and selling of Gold across India. We are bullion traders, specializing in bars and coins of various sizes and weights of Gold and Silver and offer wholesale delivery of bullion to domestic users i.e. ornament manufacturers, goldsmiths, jewellers and semi wholesalers as well as individual customs. Our Company is a member of "Indian Bullion and Jewellers Association Ltd" and "Federation of Indian Export Organisations".

We have changed the way the customers buy or sell the gold and silver. We have developed an app Aurel Bullion which is available at the play store which provides digital platform to buy and sell 24k Gold and Silver bars and coins to retail as well as the wholesale customers at a lowest possible price in an easy, simple and a transparent manner. We have also developed an E-commerce Portal, [www.aurelbullion.com](http://www.aurelbullion.com) specifically for the retail customers in order to enable them to purchase 24k Gold and Silver bars and coins and provide to our B2B and B2C clients the Antique Jadau Jewellery which is being manufactured at Amritsar, Punjab. Our Product Portfolio offers a mainly 24K Gold and Silver Bars and Coins according to customer specifications and in standard sizes and weights.

We also offer the Aurel Gold Purchase Plan for our retail customers in order to enable them to purchase physical gold in the smaller quantities in transparent, convenient and cost effective manner. We have developed our brand name "Aurel Bullion" over the years that provides us with the advantage of the customers relying on the quality of the product. All of our gold jewellery is hallmarked by BIS except gold jewellery weighing less than two grams which is not required to be hallmarked.



We deal in the products which are of international standards in terms of purity. One of our strengths is that we practice fair dealings in our transactions and provide quality products. This has enabled us to get repeat orders from our existing customers and attract new customers; we believe that an intricacy of our quality products enables us to get better margins on the products traded by us and develop long term relations.

We believe that we are one of the reputed names in trading of bullion (Gold & Silver) in Amritsar and Ahmedabad with a strong client base. Our founder and one of the Promoters viz. Mr. Manan have more than 8 (eight) years of experience in field of trading of Bullion market. Further, our Promoter, Mr. Manan has been in Bullion market for more than 8 (eight) years and enjoys goodwill. He has rich experience of over Jewellery business, Commodities, FOREX, finance and administration. He is a known name in giving updates in relation to international economy impacts on the Gold Industry to various journals, magazines and newspapers.

#### PRODUCT, LOCATION AND CUSTOMER SEGMENT WISE WISE REVENUE BREAKUP

(Amount in Rs)

Product	FY 2021-22	%of Revenue from Operation	FY 2020-21	%of Revenue from Operation	FY 2019-20	%of Revenue from Operation
Bullion (24K Gold, Silver, Bars & Coins)	12,92,61,601	99.73	5,21,23,914	97.89	4,00,63,704	93.22
Jewellery	3,26,875	0.25	10,67,620	2.01	29,07,641	6.76
Others	30,897	0.02	54,337	0.10	8,066	0.02
Corporate Advisory	-		-		-	
<b>Total</b>	<b>12,96,19,373</b>	<b>100</b>	<b>5,32,45,871</b>	<b>100</b>	<b>4,29,79,411</b>	<b>100</b>

(Amount in Rs)

Location	FY 2021-22	% of Revenue from Operation	FY 2020-21	% of Revenue from Operation	FY 2019-20	% of Revenue from Operation
Amritsar	12,65,87,573	97.66	5,32,45,871	100	4,29,79,411	100
Ahmedabad	30,31,800	2.34	-	-	-	
<b>Total</b>	<b>12,96,19,373</b>	<b>100</b>	<b>5,32,45,871</b>	<b>100</b>	<b>4,29,79,411</b>	<b>100</b>

(Amount in Rs)

Customer Segment Wise	FY 2021-22	%of Revenue from Operation	FY 2020-21	%of Revenue from Operation	FY 2019-20	%of Revenue from Operation
B2B(Jewellers, Manufacturers & Traders)	9,28,97,703	71.67	3,25,36,657	61.11	4,18,78,461	97.44
B2C (Retail Customers, Gold Plan Customers Etc.)	3,67,21,670	28.33	2,07,09,214	38.89	11,00,950	2.56
<b>Total</b>	<b>12,96,19,373</b>	<b>100</b>	<b>5,32,45,871</b>	<b>100</b>	<b>4,29,79,411</b>	<b>100</b>

#### Brief on our Financials:

(Amount in Rs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Revenue	13,25,16,419	6,20,15,502	4,45,84,945
EBDITA	12,98,584	3,79,507	2,40,890
PAT	8,44,758	83,735	26,917

For further details on our financial performance, please see “*Financial Information*” beginning on page no. 142 of this Draft Prospectus.

## **Our Products**

### **Bullion Trading Business**

#### *1. Gold & Silver Bars and Coins and Amritsari Antique Jadau Jewellery:*

We offer Gold & Silver bars and coins with 24K purity to our customers both through online platform i.e. Our App Aurel Bullion as well as through offline mode also. We also provide to our B2b and B2c clients the Antique Jadau Jewellery which is being manufactured at Amritsar, Punjab.



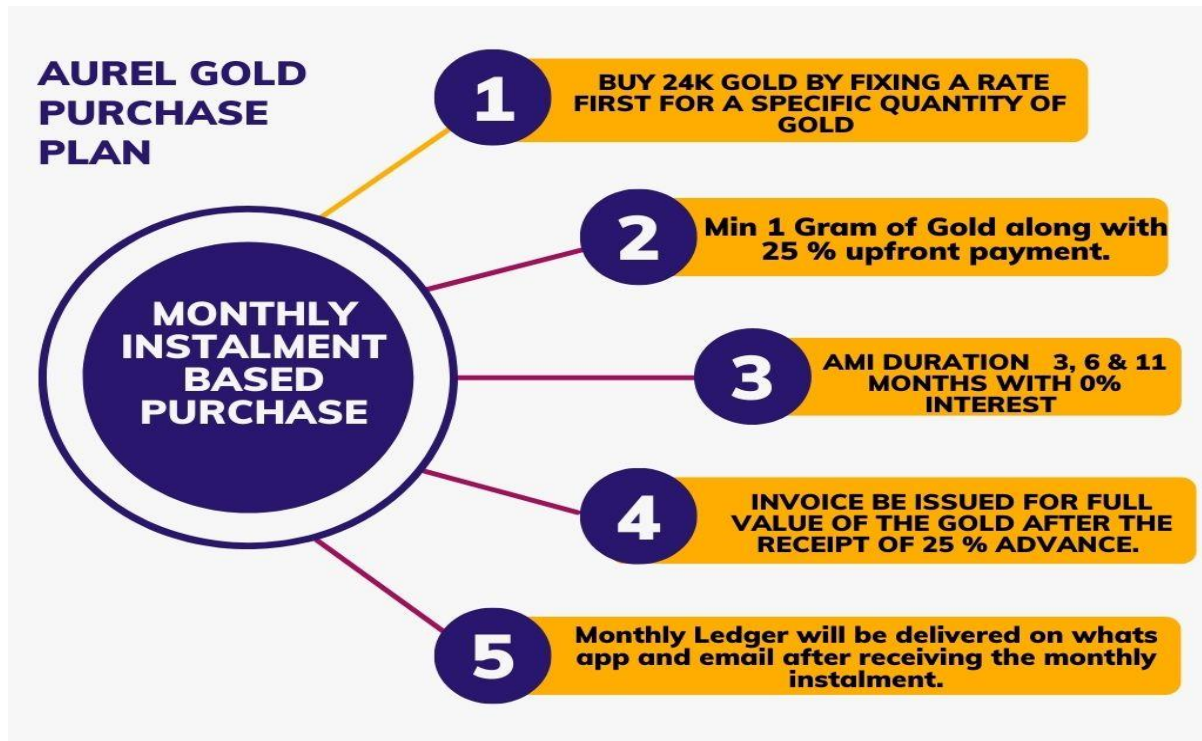
## ***AUREL GOLD BARS***



***AMRITSARI ANTIQUE JADAU JEWELLERY***

## 2. Aurel Gold Purchase Plan:

This solution has been designed for our retail customers in order to enable them to purchase physical gold in the smaller quantities in transparent, convenient and cost effective manner. In this plan the customer fixes the upfront rate by paying 25% advance and balance amount collected on monthly basis subject to maximum of 11 Months.



### Benefits of Aurel Gold Purchase plan

- Door step delivery and low entry level
- Buying 24k gold in smaller quantities
- Life time buy back guarantee
- Lowest price guaranteed for 24k gold among all peers. Paytm, Mmtc etc.
- 0 Making Charges\* & 0% Interest AMI

*\*Applies only to Aurel Branded coins in other cases standard minting charges apply.*



### 3. Corporate Advisory Services:

We provide the financial advisory services to the Small Business Owners (SBO's) in the field of restructuring, compliance and risk management. This is the capacity building initiative from our company in order to empower the SBO's to face the business challenges.

**Restructuring:** We share the best practices in the field of Book keeping and Accounting with our customers especially related to the bullion and jewellery industry. We pursue them to keep the book keeping and accounting function in house. We make them aware about the need of keeping real time accounting data with them in order to be in a position of making better decision making. In nutshell we introduce the concept of DIY (Do it Yourself) by making them learn about the basic accounting concepts and introducing them towards the various accounting software in the market. We also provide them the advisory about various business structures available and suitable to their business needs.

**Compliance:** Managing compliances is the key to business success and we believe that keeping it entirely on the third party is the significant risk. For e.g. if our GST return i.e. GSTR-1 won't be filled on time our customer will not be able to get the Input tax credit for the particular month resulting into his blockage of working capital and might be not good for our business relation. Therefore, we educate our customers to get the grip on the compliance management by supervising the business process so that the deadlines can be met. We introduce various techniques and tools available in order to empower them to manage this critical function

**Risk Management:** Managing price fluctuation risk is the key challenge in the bullion and jewelry industry. We introduce hedging techniques to our clients so that they can manage the price risk effectively and efficiently.

We use this function in order to develop the innate capability which we believe in future will become a competitive advantage of our organization.

#### **Operational Process**

We get our required bullion manufactured from third party job workers using gold and silver. Our operations include product development, getting the products manufactured based on orders received from customers on jobwork basis from third party job workers (in the required quality in karatage), packing as per customer requirement and dispatching the same. Once the order is generated by the marketing department, the same is forwarded for production planning to arrive at delivery date for the order which is further communicated to our customers as well as our third party job workers. We procure raw materials, domestically. The production and inventory are planned as per the delivery schedules. We maintain a small inventory of certain fast moving items to meet any repeat orders. The inventory normally consists of raw-materials like gold, silver and work-in-progress. This inventory is maintained to meet the production requirements as per the production plan done for the forthcoming few months. The final jewellery received from the Job workers is checked for any metal defects. In case of minor defects they are sent for rework, but in case of major defects if they cannot be worked upon, the pieces are rejected. The final jewellery pieces after another round of quality checks and are forwarded to the packaging division.

#### **DIGITAL PLATFORMS**

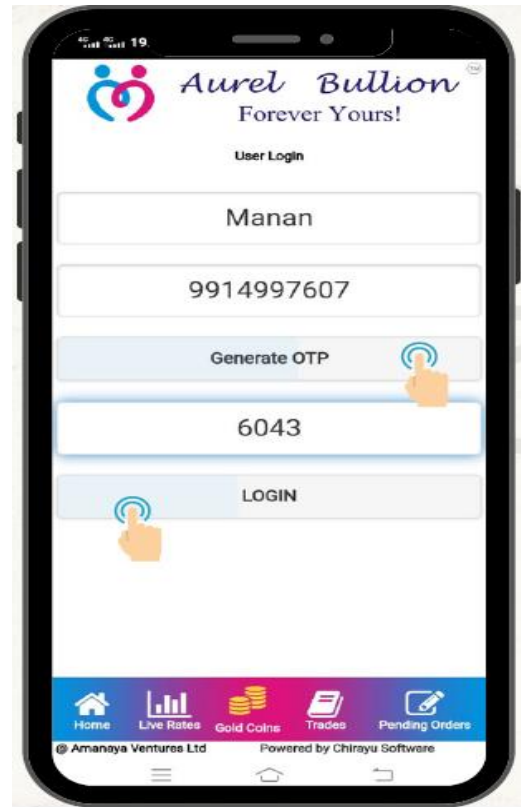
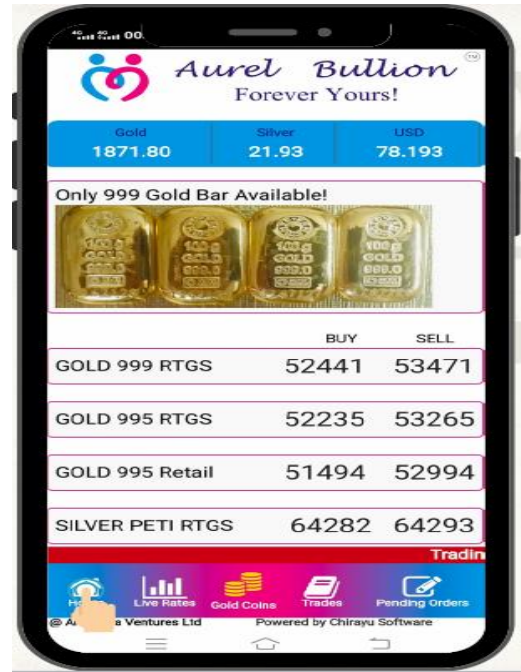
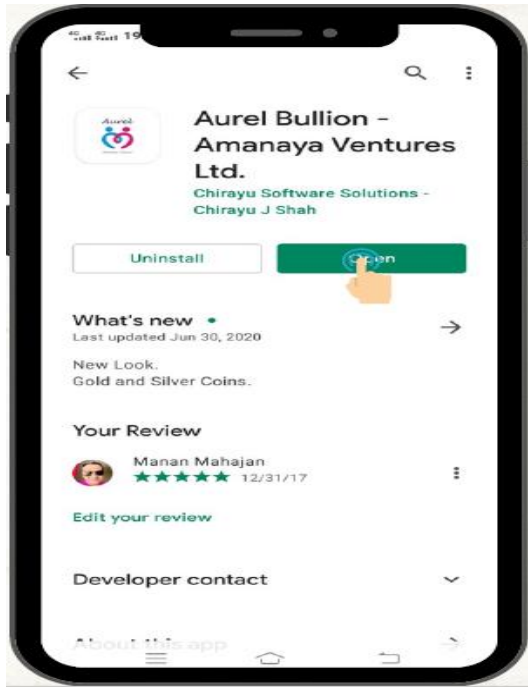
We have developed a bullion trading platform, i.e. an app “**Aurel Bullion**” available at play store enabling our customers to buy and sell bullion in convenient manner. For our retail customers we have developed an E-commerce website, i.e. [www.aurelbullion.com](http://www.aurelbullion.com), enabling them to buy Gold and Silver Bars/ coins instantly and conveniently.

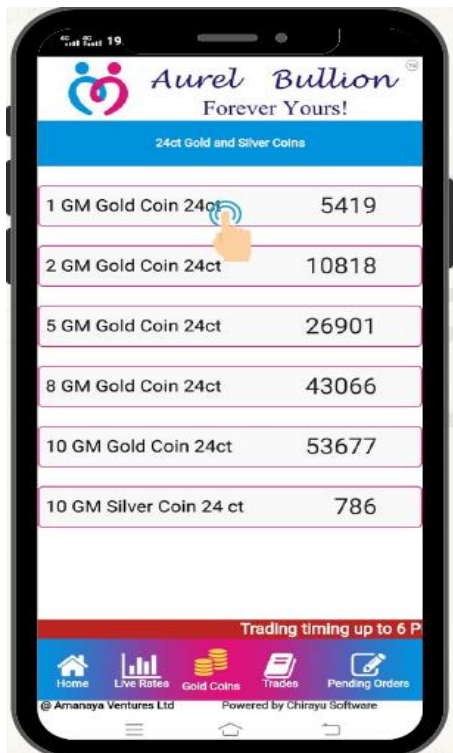
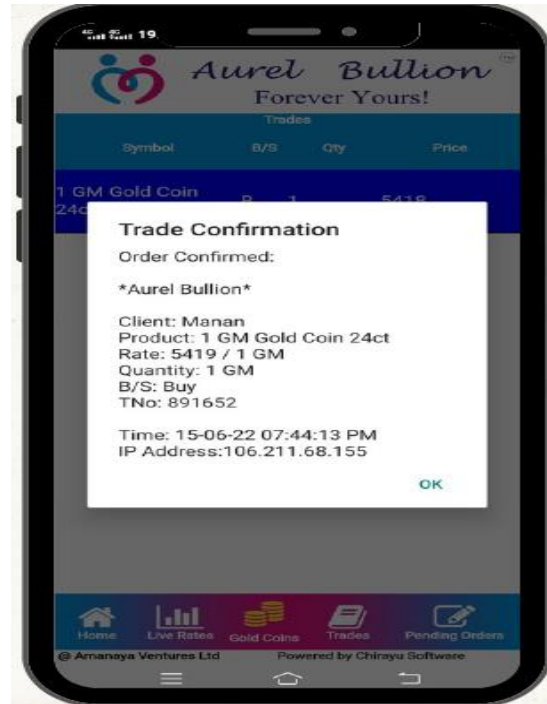
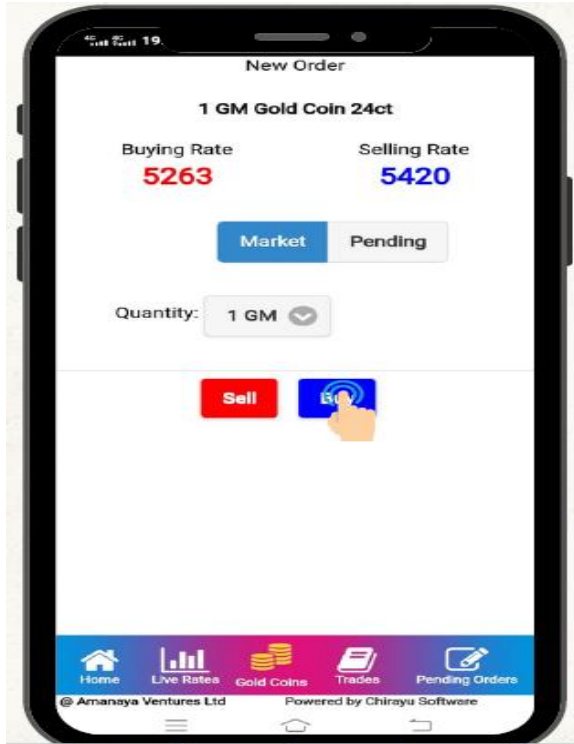
##### **i. Aurel Bullion – Mobile Application**

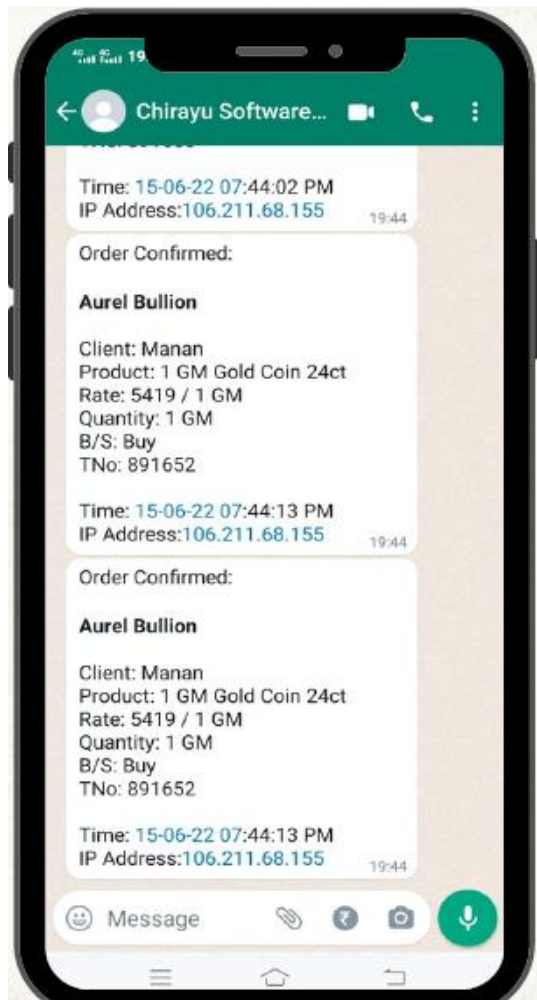
Aurel Bullion is a simplified and efficient online bullion trading platform developed for the Android Mobile Phones. Our cutting edge mobile trading platform delivers the fastest, most accurate and reliable mobile trading experience. We provide real time market rates, special rates, mobile alerts and news updates on a timely basis through our Android App. We believe in giving excellent service to our customers through latest technology, best quality of Metal, best understanding of market and best human relationship. You can buy Gold and Silver Bars and coins in a

single click from our Mobile app. We strongly believe in timely delivery, transparency and giving competitive rates. The Aurel Bullion mobile app can be downloaded free from Play store for Android based mobile phones.

### Mobile Applications Walkthrough







## Our Strengths

- *Use of the established Brand name*

Over the years “**Aurel Bullion**” has established itself as a renowned brand in Amritsar and the adjoining areas. Our brand name “**Aurel Bullion**” provides us with the advantage of the customers relying on the quality of the product. Over the years, through the customer centric approach, our core focus on maintaining the customer trust and transparency, has been rewarded and contributed towards brand recognition and customer loyalty. All of our gold jewellery is hallmarked by BIS except gold jewellery weighing less than two grams which is not required to be hallmarked.

- *Quality Assurance*

We deal in the products which are of international standards in terms of purity. One of our strengths is that we practice fair dealings in our transactions and provide quality products. This has enabled us to get repeat orders from our existing customers and attract new customers; we believe that an intricacy of our quality products enables us to get better margins on the products traded by us and develop long term relations.



- ***Experience Management***

Our founder and one of the Promoters viz. Mr. Manan Mahajan, have more than 8 (eight) years of respective experience in field of trading of Gold and Silver. Our Promoters are actively involved in our operations and bring to our Company their vision and leadership which we believe has been instrumental in sustaining our business operations. Our management team also includes people who have good experience in the bullion and jewellery industry. Further, we believe that we have developed expertise to hedge our stock value as hedging is a way to protect our stock value from a risky situation through our experience. Hedging is done to minimize or offset the chance that your assets will lose value. Our management is capable to minimize market risk with its hedging skills.

- ***Technology based solution***

We have developed a mobile technology based trading solution under the name of Aurel Bullion which has the potential to scale up our business. We have also developed an E-commerce based portal aurelbullion.com to cater the needs of our retail customers. In this platform they can buy 24k Gold and silver bars and coins at lowest possible price, convenient and transparent manner.

- ***Well established and cordial relationship with our supplier***

Our access to reputed Gold Traders based at Amritsar, Delhi and Ahmedabad allows us to offer quality products at timely manner. Our access to local jadaujewellery manufacturers allows us to offer quality and a diverse product range. We actively engage with such traders and manufacturers to ensure that the products are as per our specifications and suggested designs. This arrangement has been beneficial for us as we are able to successfully execute our orders on time and develop strong relationships with suppliers and customers.

## **Our Strategy**

Our vision is to grow in markets by providing quality products through leveraging the strength of technology. We intend to make gold purchase affordable, convenient and transparent for our B2C customers. We intend to change the bullion buying and selling process by providing mobile based trading platform to our B2B customers. We intend to sell the bullion products under our own brand name. We intend to capitalize on the growing demand for our products in the existing and newer market. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our strengths and expanding the operations of our business.

- ***Focus on Increase in Volume of Sales by leveraging the strength of Technology:***

As part of our growth strategy, we intend to focus on increase in volume of sales. As a trading Company we want to focus on larger volume of sales and further addition of new clients in our portfolio to achieve our targeted sales. We intend to change the traditional bullion buying process of our customers by providing them mobile based trading platform which enables them to buy and sell the bullion in a convenient manner.

- ***Increase Geographical Presence:***

We are currently located at Amritsar in Punjab. Going forward we plan to establish our presence in the other markets in the state of Gujarat. Our emphasis is on expanding the scale of our operations in markets like Ahmedabad, Delhi, Amritsar and NCR which we believe will provide us attractive opportunities to grow our client base and revenues. We intend to launch our App Aurel Bullion in these areas in order to scale up our geographical presence.

- ***Product Diversification***

We intend to enhance our product line by providing the Aurel Minted 24K coins and bars of denominations ranging from 1 gm to 100 gm. Presently we are selling the third party minted coins and bars in future we intend to sell the minted coins and bars under the name of Aurel brand.

- ***Continue to develop client relationships and Trust:***

We plan to grow our business primarily by growing our client relationships and trust. We believe that increased client relationships and trust will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. We believe that our business is a by-product of relationship and trust. Long-term relations are built on trust and continuous meetings with the requirements of the customers.

- ***Continue to invest in our Digital Marketing and Brand Building initiatives.***

Our marketing and promotion efforts seek to increase sales by increasing brand awareness that stimulates interest in our product range and technology platform entrenching our position in the Punjab Bullion industry. The key marketing channels that we use on an ongoing basis include customer advertisements with specific coverage in social media. We believe our branding strategy helps us to retain existing customers and attract new customers. We intend to continue investing in our digital marketing initiatives and brand building exercise. We also continue to provide effective training to our management personnel's in digital marketing techniques and product knowledge. We believe that effective digital marketing is important for future revenue growth, enhancing our brand visibility, to establish relationships with target markets and to sell our products in a competitive and cost-effective manner.

- ***Enhancing Operating Effectiveness & efficiency by transforming ourselves as digital organization.***

Our Company aims to continue to improve our operational effectiveness and efficiencies to achieve cost reductions including overheads. We believe that this can be done by transforming ourselves into a Digital Organization. By Digital organization we mean that by leveraging the strength of technology i.e. changing the traditional buying selling process, complete automation of customer interaction, minimum human intervention in the business process and use of digital marketing techniques.

### **Sales and Marketing Strategy**

Our management enjoy the confidence of several B2B and B2C and we currently market our products only to a selected setup of clients. Currently, we sell the third party branded products through our shop only in Amritsar, Punjab. The efficiency of the marketing and sales network is critical success factor of our Company. We have strengthened our brand portfolio with local, targeted marketing strategies aimed at different customer profiles, various markets and price segments and for various uses and occasions. Our marketing team along with our promoters through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the sales network of our Company. The marketing channels adopted by our Company include social media. Our marketing team maintains an ongoing relationship with our customers. Further, we follow structured approach for our product development which involves market research, sales analysis and brand development. We share our findings with our existing and potential customers in securing new orders.

Our marketing and promotion efforts seek to increase sales by increasing brand awareness that stimulates interest in our product range and technology platform entrenching our position in the Punjab Bullion industry. The key marketing channels that we use on an ongoing basis include customer advertisements with specific coverage in social media. We believe our branding strategy helps us to retain existing customers and attract new customers. We intend to continue investing in our digital marketing initiatives and brand building exercise. We also continue to provide effective training to our management personnel's in digital marketing techniques and product knowledge. We believe that effective digital marketing is important for future revenue growth, enhancing our brand visibility, to establish relationships with target markets and to sell our products in a competitive and cost-effective manner.

## Future Growth Prospects

Organizing the unorganized bullion market by changing the traditional buying and selling bullion buying process with mobile based trading app.

## Competition

We face the competition in our business from other existing traders Gold and Silver and related Products. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than us and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, market focus and the relative quality and price of the services and products.

## Insurance

Our Company has obtained certain insurance coverage to sufficiently cover all normal risks associated with its operations. Following are the details regarding the insurance coverage obtained by our Company:

<b>Policy</b>	Jewellery Block Protector Policy	Private Car Package Policy no. 11300031222002104421 vide registration no. PB 02 EE 1788.
<b>Perils Covered</b>	Stocks at Business Premises as deal in 100% bullion business	-
<b>Name of the Insurer</b>	IFFCO - TOKIO General Insurance Co. Ltd.	Aditya Birla Insurance Brokers Limited
<b>Name &amp; Address of the insured property/ Risk Location/ Address of the Insured (As and where applicable)</b>	Amanaya Ventures Limited 1. Shop No.1, Bldg. No. 1904/X-B, Om Market, Haveli Zahadar, Guru Bazar, Amritsar, Punjab-143001 2. 69,70 F F, Deep Complex, Court Road, Amritsar, Punjab- 143001	Hyundai (Vehicle)
<b>Policy no.</b>	48028644	11300031222002104421
<b>Period</b>	4/09/2021 to 13/09/2022	16/08/2022 to 15/08/2023
<b>Total Sum Insured (.)</b>	10000000	708960
<b>Premium Paid (.)</b>	20353.82	10,691

## CAPACITY UTILISATION

The Company is engaged in the business of trading of Gold and Silver and allied products as bullion trader & Company is currently not having any manufacturing facility therefore capacity utilization is not applicable to us. We do not carry any manufacturing operations from our own premises. We have access to local jewellery manufacturers who focus on quality, customer preference, taste, design. We procure our jewellery from other jewellery manufacturers located in Ahmedabad, Mumbai, Rajkot and Surat and/ or get our jewellery manufactured through independent job workers located in Ahmedabad. We purchase only those jewellery which are BIS hallmarked and which match the current market trends, customer taste, preference and designs. The BIS hallmark, is a mark of conformity widely accepted by the consumer bestow the additional confidence to the consumer on the purity of our gold jewellery. We procure jewellery at various price points which ensure that we are able to serve our customers across the entire lifecycle of their jewellery requirements. Apart from this we also procure the old gold ornaments or other jewellery items which are exchanged by the customers towards new jewellery items purchased from our shop. We further get our jewellery manufactured through independent job workers based on the requirements of the customers.

## **Inventory, Security and Logistic Management**

### **Inventory**

We have strict inventory management and monitoring practices in place that allows us to account for each piece of inventory and to ensure efficiency. We plan our inventory procurement by taking into account targeted sales, inventory turnover and aging, and generally endeavour to maintain inventory levels in line with customer demand and seasonal trends. Our jewellery is identified with a unique barcode. We also implement daily inventory checks at the close of business in every showroom. The remainder of the jewellery sections is then counted and verified by the store manager. Inventory is stored in our showrooms. It is displayed in counter and majority of items are moved to the backend store room at the end of each day. We also run special promotion schemes to push sales of such products. Our Business Model requires available inventory against the expected sales. No booking or rate quote in case of Bullion is not available for sale. Instantly booking of inventory against any sales.

### **Security**

Our security procedures are stringent to ensure our inventory is maintained securely. Our premises are equipped with closed circuit surveillance cameras linked to a digital video recorders, as well as secure vaults with restricted access to a limited number of staff, and our jewellery is placed into these vaults at the close of business each day.

### **Logistic**

Logistics are handled by Sequel Logistics a secured logistics movement company. We book the order with the trader and book the shipment with sequel. Sequel moves the shipment from our supplier's premises to us. However there is no agreement entered between our Company and the logistic partner for such work.

### **Utilities and Infrastructure**

Our registered office, Shop and branch office are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

### **Plant & Machinery**

As on date of Draft Prospectus, Our Company does not possess any major plant & machinery.

### **Collaborations**

We have not entered into any technical or financial or any other collaboration agreement as on the date of filing the Draft Prospectus.

### **Imports-Exports and Import-Export Obligations**

There are no Import-Export Obligations as on date of filing this Draft Prospectus.

### **Manpower**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. All our employees are permanent employees and on the payroll of our Company. The table below shows the functional breakdown of our employees:

Function / Department	Number of Employees
Senior Management	2
Purchase & Inventory Management Team	1
Sales & Marketing Team and Admin Staff	1
Finance, Internal Audit and Accountant	1
Compliance & Legal	1
<b>Total</b>	<b>6</b>

## OUR PROPERTIES

Our Registered office, Shop and Branch offices are the same and are leased by our Company. The detail of our property is as follows:

Lease Date	Name of the Licensor/ Lessor/ Vendor	License/ Leased/ Rent/ Owned	Location of the Property	License Fee/ Lease Fee/ Purchase Cost (in Rs.)	Security Deposit (in Rs.)	License Period/ Leased Period	Purpose
April 01, 2022	Mr. Manan Mahajan	Rented	69,70 Deep Complex, Court Road, Amritsar-143001, Punjab, India	12,000 p.m.	-	60 months w.e.f. 19-02-2022	Used as Registered office
August 22, 2022	Mr. Shiv Kumar	Rented	B.O.: 1, Building 1904/X-8, Haveli Zamadar, Guru Bazar, Amritsar-143001, Punjab, India	2,200 p.m.	-	60 Months	Used as Shop
September 15, 2021	Shah UdayanSevantila	Rented	F-3, Upper Level, Sahajanand Complex, Nr Ramesh Corp, C.G. Road, Navrangpura Ahemdabad-380009, Gujarat, India	5,000 P.m.	10,000	11 Months and 29 days w.e.f. 15-09-2021	Branch Office

## INTELLECTUAL PROPERTY

For details of Intellectual Property Rights obtained by us, see the chapter titled **“Government and Other Approvals”** beginning on page no. 176 of this Draft Prospectus.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant sector-specific laws, regulations and policies as prescribed by the Government of India, and other regulatory bodies that are applicable to our business. 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. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice.*

*The statements 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.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and maintain applicable licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of government approvals and other approvals obtained by us, see the chapter titled “**Government and Other Approvals**” beginning on page no.176 of this Draft Prospectus.*

### **Key Industry and Business-Related Regulations applicable to our company**

#### **INDUSTRIAL LAWS**

##### ***The Bureau of Indian Standards Act, 2016***

The Bureau of Indian Standards Act, 2016 (“BIS Act”) provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

Government of India has identified BIS as the sole agency in India to operate the BIS Certification Scheme for Hallmarking of Gold Jewellery (“BIS Hallmarking Scheme”). BIS Hallmarking Scheme is operating under BIS Act, Rules and Regulations. It operates on the basis of trust and thus it is desirable that aspects of quality control are in-built in the system responsible for managing quality.

The BIS Hallmarking Scheme has been aligned with International criteria on hallmarking (Vienna Convention 1972). As per this scheme, licence is granted to the jewellers by BIS under BIS Hallmarking Scheme. The BIS certified jewellers can get their jewellery hallmarked from any of the BIS recognized Assaying and Hallmarking Centre. The recognition to an Assaying and Hallmarking Centre is given against BIS criteria Doc: HMS/RAHC/GO1 which is in line with International criteria on Marking and Control of Precious metals. A Hallmark, consists of five components i.e. BIS Mark, the Fineness number (corresponding to given caratage), Assaying and Hallmarking Centre's Mark, Jeweller's identification Mark and year of Marking denoted by a code letter and decided by BIS (e.g. code letter ‘A’ was approved by BIS for year 2000, ‘B’ being used for the year 2001 and ‘C’ for 2002 and ‘J’ for 2008). The marking is done either using punches or laser marking machine.

##### ***Standards of Weights and Measures Enforcement Act, 1985:***

The Standards of Weights and Measures Enforcement Act, 1985 regulates the classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used and the classes of users of weights and measures. The Act was passed with a view to regulating and modernizing the standards used in India based on the metric system. The units of weight which are sought to be used in day to day trade are required to be periodically inspected and certified by the designated authorities under this act for their accuracy.

## **Consumer Protection Act, 2019 and Consumer Protection (E-Commerce) Rules, 2020 (“COPRA”)**

The COPRA will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA also provides for referring the disputes to mediation for early settlement of the disputes between the parties and also prescribes the offences and the penalties for such offences.

### ***Gem and Jewellery Export Promotion Council***

The GoI has designated the Gem and Jewellery Export Promotion Council (“**GJEPC**”) as the importing and exporting authority in India in keeping with its international obligations under Section IV(b) of the Kimberley Process Certification Scheme (“**KPCS**”). The GJEPC has been notified as the nodal agency for trade in rough diamonds. The KPCS is a joint government, international diamond and civil society initiative to stem the flow of conflict diamonds, which are rough diamonds used by rebel movements to finance wars against legitimate governments. The KPCS comprises participating governments that represent approximately 99.8% of the world trade in rough diamonds. The KPCS has been implemented in India from January 1, 2003 by the GoI through communication No. 12/13/2000-EP (GJ) dated November 13, 2002. However, under the Special Economic Zones Rules, 2006, the Development Commissioners have been delegated powers to issue Kimberley Process Certificates for units situated in the respective Special Economic Zone (the “**SEZ**”).

### ***Gems and Jewellery Trade Council of India***

The Gems and Jewellery Trade Council of India (“**GJITC**”) was established with the main aim of boosting the gems and jewellery trade of India. It is a council formed to enhance & boost the jewellery trade of India by resolving various issues of the trade by escalating various to the relevant high authorities. It also indulges itself in disseminating latest information to its jeweller-members through a monthly newsletter, various educative & trade motivational events such as seminars, workshops, exhibitions, festivals etc.

### ***RBI Circulars regulating Gold Loans***

The RBI has permitted nominated banks to import gold for purposes of extending gold metal loans to domestic jewellery manufacturers subject to certain conditions, including that the tenor of the gold loans (which can be decided by the nominated banks) does not exceed 180 days from the date of procurement of gold and the interest charged to the borrowers is linked to the international gold rates.

The RBI has also permitted nominated agencies and approved banks to import gold on loan basis for on-lending to exporters of jewellery, subject to certain conditions, including that the maximum tenor of gold metal loans does not exceed 270 days from the date of procurement of gold by the exporter based on the foreign trade policy 2009-2014. Gems and jewellery export oriented units and specified units in SEZs are permitted to import gold on a loan basis directly or through nominating agencies, subject to specified conditions.

Pursuant to the Second Quarter Review of the Monetary Policy 2012-13, issued by the RBI on October 30, 2012, the RBI has prohibited the banks from granting any advance against gold bullion to gold dealers or traders, if, in the assessment of the banks, such advances are likely to be utilized for purposes of financing gold purchase at auctions

and/or speculative holding of stocks and bullion. In addition, the RBI has also sought to impose a prohibition on the banks from financing the purchase of gold in any form, other than working capital facilities.

***Information Technology Act, 2000 (as amended by Information Technology Amendment Act, 2008):***

The Information Technology Act, 2000 (the IT Act) is an Act of the Indian Parliament notified on October 17, 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber-crimes.

***The Micro, Small and Medium Enterprises Development Act, 2006***

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five Lakhs rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five Lakhs rupees but does not exceed five Crores rupees; or a medium enterprise, where the investment in plant and machinery is more than five Crores but does not exceed ten Crores rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten Lakhs rupees, “Small Enterprise” where the investment in equipment is more than ten Lakhs rupees but does not exceed two Crores rupees, or “Medium Enterprise” where the investment in equipment is more than two Crores rupees but does not exceed five Crores rupees.

**INTELLECTUAL PROPERTY LEGISLATIONS:**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trademarks Act, 1999

***Indian Patents Act, 1970:***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

***The Copyright Act, 1957:***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

***Trademarks Act, 1999 (“TM Act”):***

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.



## **FOREIGN INVESTMENT LAWS:**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy (“Consolidated FDI Policy”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) from time to time.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“SEBI FPI Regulations”), investments by Foreign Portfolio Investors (“FPIs”) in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company’s board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

### ***Foreign Trade (Development and Regulation) Act, 1992***

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and license to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

### ***Foreign Exchange Management Act, 1999 and regulations thereunder***

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. FEMA 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.

As laid down by the FEM 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 notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEM Regulations") to prohibit, restrict or regulate, transfer by or issue security to 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 for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. The RBI, in exercise of its power under FEMA, has notified the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 which deals with exports, the declaration to be filed, the realization of export value, etc. The RBI amended these Regulations by introducing the Foreign Exchange Management (Export of Goods and Services) (Amendment) Regulations, 2021 (the "Amendment Regulations") through a notification dated January 08th, 2021 to introduce certain exemptions related to the aviation sector through the Amendment Regulations. In exercise of the powers conferred by section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and consequent to the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, the Reserve Bank has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instrument) Regulations, 2019 ("Principle Regulations") relating to mode of payment and reporting requirements for investment in India by a person resident outside India. The RBI has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2020 whereby amendment has been made to Regulation 3.1 of the Principle Regulations which deals with the Mode of Payment and Remittance of sale proceeds in which Schedule II and Schedule VII was substituted. The RBI, also notified the Foreign Exchange Management (Foreign currency accounts by a person resident in India) Regulations, 2015 to regulate opening and maintenance of foreign currency accounts in and outside India by a person resident in India. The RBI passed a notification dated February 27th, 2019 amending the regulations by passing the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2019 amending regulation applicable to authorized dealers.

### ***The Foreign Direct Investment***

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade ("DPIIT") issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

### **GENERAL CORPORATE COMPLIANCE:**

#### ***The Companies Act 1956 and the Companies Act, 2013:***

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure 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. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

## **EMPLOYMENT AND LABOUR LAWS:**

### ***The Industrial Relations Code, 2020:***

The new Code passed by the Parliament replaces and Consolidates three labour legislations, being The Industrial Disputes Act, 1947, The Trade Unions Act, 1926, and The Industrial Employment (Standing Orders) Act, 1946. It aims at consolidating and amending the laws relating to trade unions, conditions of employment in industrial establishments, investigation and settlement of industrial disputes. While it retains several provisions from the existing legal framework regarding retrenchment, lay-off, closure, industrial disputes, trade union recognition, etc., new requirements have been introduced to simplify as well as add more structure to the existing regulations.

### ***The Code on Wages, 2019:***

The new Code replaces the following four laws: (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc, while the State Government is empowered to take such decisions in relation to other employments.

### ***The Code on Social Security, 2020:***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***The Occupational Safety, Health and Working Conditions Code, 2020:***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the

Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation 104 of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

***Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952:***

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

***Employees Deposit Linked Insurance Scheme, 1976:***

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

***The Employees' Pension Scheme, 1995:***

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

***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. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

***The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:***

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the

date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### ***Environmental Laws***

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India include the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (the "PCBs"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution that is not in accordance with such regulations. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed annually.

#### ***Air (Prevention and Control of Pollution) Act, 1981***

Air (Prevention and Control of Pollution) Act 1981 (-the Act) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

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

The Water (Prevention and Control of Pollution) Act, 1974 (-the Act) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

#### ***The Water (Prevention and Control of Pollution) Cess Act, 1977 ("Water Pollution Cess Act")***

The Water Pollution Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries to augment the resources of the central pollution control board and state pollution control boards. The Water Pollution Cess Act also provides for a rebate to the extent of 25% of the cess payable, in favour of persons who, being liable to cess under the Water Pollution Cess Act, install any plant for the treatment of sewage or effluents. However, this rebate is not applicable to persons consuming water in excess of the maximum prescribed quantity or who fail to comply with the provisions of section 25 of the Water Act or who fail to adhere to standards laid down by the Central Government under the Environment Act.

#### ***The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008:***

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (**Hazardous Wastes Rules**), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or re-user registered or authorised under the Hazardous Wastes Rules or should be disposed of in an authorised disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.

## **TAX RELATED LEGISLATIONS**

### ***The Income Tax Act, 1961***

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

### ***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. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. 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 and various rules made thereunder. It replaces 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.

### ***The Professional Tax***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations.

## **OTHER LAWS**

### ***Shops and Establishments Acts of various states (collectively “S&E Acts”)***

The S&E Acts in India are promulgated by the state and may slightly differ from state to state. All shops and commercial establishments operating within each state are covered by the respective S&E Acts. Shops are defined as premises where goods are sold either by retail or wholesale or where services are rendered to customers, and includes an office, a store-room, godown, warehouse or workhouse or work place. Establishments are defined as shop, a commercial establishment, residential hotel, restaurant, eating-house, theatre or other places of public amusement or entertainment. Further, establishments as defined by the act may also include such other establishments as defined by the Government by notification in the Official Gazette. The S&E Acts regulates a number of aspects relating to the operation of a shop or commercial establishment. Some of the key areas regulated by the shop and establishment act include: hours of work, interval for rest and meals, prohibition of employment of children, employment of young person or women, opening and closing hours, close days, weekly holidays, wages for holidays, time and conditions of payment of wages, deductions from wages, leave policy, dismissal, cleanliness, lighting and ventilation, precautions against fire, accidents and recordkeeping.

### ***Municipality Laws:***

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Police Laws:***

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same including registering eating houses and obtaining a ‘no objection certificate’ for operating such eating houses with the police station located in that particular area, along with prescribing penalties for non-compliance.

### ***Approvals from Local Authorities:***

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### ***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.

### ***The Specific Relief Act, 1963***

The Specific Relief Act, 1963 ("SR Act") 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 SR 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.

### ***Transfer of Property Act, 1882:***

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

### ***Registration Act, 1908:***

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

### ***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 a 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.

### ***Negotiable Instruments Act, 1881***

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. 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.

### ***Limitation Act, 1963***

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions.

### ***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. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.



## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was originally incorporated as Amanaya Financial Services Private Limited on February 27, 2009 under the Companies Act, 1956 vide certificate of incorporation issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. Subsequently the name of the company was changed from “Amanaya Financial Services Private Limited” to “Amanaya Ventures Private Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extraordinary General Meeting held on September 14, 2015 and had obtained fresh certificate of incorporation dated September 16, 2015 issued by the Assistant Registrar of Companies, Chandigarh. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated October 09, 2015 and the name of our Company was changed to “Amanaya Ventures Limited” to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Chandigarh, dated October 15, 2015.

Our Corporate Identification Number is U51101PB2009PLC032640.

The Promoter of our company is Mr. Manan Mahajan.

### Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them:

The names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association: Initial allotment to Mr. Manan Mahajan (9,000 Equity Shares) and Mrs. Rajni Mahajan (1,000 Equity Shares), being the subscribers to the MoA of our Company.

### Changes in our Registered Office

We set out below the changes in registered office of our Company since inception which has been changed for administrative convenience of our Company.

Date of Board/ Shareholders resolution/ Postal Ballot	From	To	Purpose
On Incorporation	V.P.O. Dorangla, Gurdaspur-143526, Punjab, India		-
February 16, 2016	V.P.O. Dorangla, Gurdaspur-143526, Punjab, India	Near City Centre Mall, Behind Old Car Bazar, Dalhousie Road, Gurdaspur, Pathankot - 145001, Punjab, India	Administrative Purpose
August 14, 2017	Near City Centre Mall, Behind Old Car Bazar, Dalhousie Road, Gurdaspur, Pathankot - 145001, Punjab, India	10, First Floor, Nagina Avenue, Near Power House, Majitha Road, Amritsar-143001, Punjab, India	Administrative Purpose
February 1, 2019	10, First Floor, Nagina Avenue, Near Power House, Majitha Road, Amritsar-143001, Punjab, India	69-70, First Floor, Deep Complex, Court Road, Amritsar- 143001, Punjab, India	Administrative Purpose

As on the date of filing this Draft Prospectus, Our Company's Registered Office is situated at 69-70, First Floor, Deep Complex, Court Road, Amritsar- 143001, Punjab, India.

### Major Events and Milestones

Some of the other key events in the history of our Company are set forth below:

Year	Details
2009	Incorporated under Companies Act, 1956 as “Amanaya Financial Services Private Limited”
2015	Name of the company was changed from “Amanaya Financial Services Private Limited” to “Amanaya Ventures Private Limited”
2015	Converted our Company to Public Limited from Private Limited
2020	Scheme of Amalgamation of Midland Services Limited with our Company pursuant to Sections 230 to 232 of the Companies Act, 2013 alongwith the Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended, under a scheme of arrangement and amalgamation which was approved by the National Company Law Tribunal, Chandigarh by its order dated March 17, 2020 vide notice no. NCLT/CHD/Reg/cc/1361.

### Main Objects of our Company

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

- To engage in and carry on the business or profession or vocation of advisors, consultants and render all types of advisory services to all types of business or industry including buying, selling, importing, exporting, marketing or supplying, trading, dealing in any manner whatsoever in all types of goods, machinery, pharmaceuticals, textiles products, commodities including agriculture non agriculture like metals, bullion etc. and securities in India or elsewhere and to act as broker, trader, shipper, distributor, franchiser, member of recognized stock exchanges, clearing and forwarding agents, commission agents, job worker, export and import house of goods, commodities, merchandise and services of all grades, specifications, descriptions, on retail as well as on wholesale basis and to create, build, invest in or acquire innovative and emerging businesses in India or abroad.

### Amendments to the MoA of our Company since Incorporation

Since incorporation, the following amendments have been made to the MoA of our Company:

Sr. No.	Changes In M.O.A	Date & Type of Meeting
A.	<b>Change in Capital Clause</b>	
1)	Increase in authorized capital from Rs. 1.00 Lakh to Rs. 2.00 Lakhs	01-12-2009; EGM
2)	Increase in authorized capital from Rs. 2.00 Lakhs to Rs. 6.00 Lakhs	20-09-2011; EGM
3)	Increase in authorized capital from Rs. 6.00 Lakhs to Rs. 15.00 Lakhs	25-03-2014; EGM
4)	Increase in authorized capital from Rs. 15.00 Lakhs to Rs. 50.00 Lakhs	12-01-2017; EGM
5)	Increase in authorized capital from Rs. 15.00 Lakhs to Rs. 06.00 Crores	-----*
B.	<b>Change in Name Clause</b>	
1)	Name of the company was changed from “Amanaya Financial Services Private Limited” to “Amanaya Ventures Private Limited”	14-09-2015; EGM
2)	Our Company was converted into a public limited company and the name of our Company was changed to “Amanaya Ventures Limited”	09-10-2015; EGM

\* The increase in authorized capital of the Company was pursuant to the Scheme of Amalgamation entered into amongst Midland Services Limited (MSL), our Company and their respective shareholders. For further details regarding Scheme of Amalgamation, please refer to the section ‘Our History and Certain Other Corporate Matters’ beginning on Page 113 of this Draft Prospectus.

*Form GNL-2 filed for Amalgamation between MSL (Transferor Company) and Amanaya Ventures Limited (Transferee Company) for filing New Memorandum of Association after incorporating Merged Authorized Capital of both the Companies.*

*Authorised Capital of Amanaya Ventures Limited (Transferee Company) Rs.50,00,000/-*

*Authorised Capital of Midland Services Limited (Transferor Company) Rs.5,50,00,000/-*

*Merged Authorised Share Capital Rs.6,00,00,000/-*

### **Adopting New Articles of Association of the Company**

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated July 30, 2022.

### **Launch of Key Products or services**

Except as disclosed in the chapter titled '**Business Overview**' beginning on page no. 88 of this Draft Prospectus, Our Company has not changed its products and services since Incorporation.

### **Subsidiaries and Holding Company**

Our Company is not a subsidiary of any company. Further, as on the date of this Draft Prospectus our Company does not have any subsidiary company.

Our Company has no holding company as on the date of filing of the Draft Prospectus.

### **Joint Ventures**

As on the date of this Draft Prospectus, there are no existing joint ventures entered into by our Company.

### **Mergers and Acquisitions in the history of Our Company**

Save and except as stated below, there are no acquisitions, mergers, amalgamation, and revaluation of assets etc. with respect to our Company as on the date of this Draft Prospectus.

### ***Scheme of Amalgamation of Midland Services Limited with our Company as approved by the National Company Law Tribunal dated March 17, 2020 vide notice no. NCLT/CHD/Reg/cc/1361***

Midland Services Limited (Transferor Company) merged with our Company (Transferee Company) pursuant to Sections 230 to 232 of the Companies Act, 2013 alongwith the Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended, under a scheme of arrangement and amalgamation which was approved by the National Company Law Tribunal, Chandigarh by its order dated March 17, 2020 vide notice no. NCLT/CHD/Reg/cc/1361. The appointed date for the Scheme is April 01, 2019. Pursuant to this scheme, all estate, assets, properties, debts, outstanding credits, liabilities, duties and obligations of Midland Services Limited have been transferred to and vested in our Company. Upon the scheme coming into effect, all equity shares held by our Company in Midland Services Limited stood cancelled. In consideration for the transfer and vesting of the undertaking and business of Midland Services Limited in our Company, our Company allotted 1 (one) fully paid Equity Shares of Rs. 10 each for every 5 (five) Equity Shares of Rs.10 each held in Midland Services Limited to each shareholder of Midland Services Limited (other than our Company). For further details, see "**Capital Structure**" on page 56 of this Draft Prospectus.

### **Divestment of Business or Undertaking**

Our company has not divested any of its business or undertaking in last 5 years from the date of this Draft Prospectus.

**Strategic Partners:**

Our Company does not have any strategic partner(s) as on the date of this Draft Prospectus.

**Financial Partners:**

Apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Prospectus.

**Shareholders' agreement:**

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Prospectus.

**Material Agreements:**

Our Company has not entered into any specific or material or special agreements and/or arrangements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

**Fraudulent Borrower**

Our Company or any of our promoters or directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

**Injunctions or Restraining Orders**

There are no injunctions/ restraining orders that have been passed against the Company.

**Fund raising through equity or debt**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled '*Financial Statement*' and '*Capital Structure*' beginning on no. 142 and 56, respectively, of this Draft Prospectus.

**Revaluation of Assets**

Our Company has not revalued its assets since its incorporation.

**Defaults or rescheduling of borrowings with financial institutions/banks**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks as on the date of this Draft Prospectus.

**Strikes and lock-outs**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Prospectus, our employees are not unionized.

**Time and cost overruns**

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

**Changes in the activities of Our Company having a material effect**

There has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

**Other declarations and disclosures**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

**Number of Shareholder in the Company**

As on the date of this Draft Prospectus, the total number of holders of our Equity Shares is 189. For further details of our shareholding pattern, please see '*Capital Structure*' on page no. 56 of this Draft Prospectus.

## OUR MANAGEMENT

### Board of Directors

As per the Articles of Association of our Company, we are required to have not less than 3 (three) Directors and not more than 15(fifteen) Directors on its Board, subject to the applicable provisions of the Companies Act. As on date of this Draft Prospectus, we have 5 (Five) Directors on our Board.

Sets forth below are the details regarding our Board as on the date of this Draft Prospectus:

Name, Age, Designation, Address, Din No., Occupation & Nationality	Date of Appointment & Term	Other Directorships
<b>Mr. Manan Mahajan</b> S/o Mr. Sabhajit Mahajan <b>Age:</b> 43 years <b>Designation:</b> Whole-Time Director & CFO <b>Address:</b> 10, Nagina Avenue, Majitha Road, Amritsar-143001, Punjab, India <b>DIN:</b> 02217914 <b>Occupation:</b> Business <b>Nationality:</b> Indian	Appointed as Whole - Time Director cum CFO w.e.f. 06/07/2022  Term: 3 years	1. Sarvvayapi Nidhi Limited  2. AmanayaSmartlife IMF LLP
<b>Mrs. Rajni Mahajan</b> D/o Mr. Mangat Ram <b>Age:</b> 37 years <b>Designation:</b> Managing Director <b>Address:</b> 10, Nagina Avenue, Majitha Road, Amritsar-143001, Punjab, India <b>DIN:</b> 02463524 <b>Occupation:</b> Business <b>Nationality:</b> Indian	Appointed as Managing Director w.e.f. 06/07/2022  Term: 3 years	1. Sarvvayapi Nidhi Limited  2. AmanayaSmartlife IMF LLP
<b>Mr. Harvinder Singh Dhani</b> S/o Mr. Mehar Singh Dhani <b>Designation:</b> Non-Executive and Independent Director <b>Age:</b> 57 years <b>Address:</b> R/o 119-E, Dhani House, Street No.3, Gopal Nagar, Majitha Road, Amritsar- 143001, Punjab, India <b>DIN:</b> 02119042 <b>Occupation:</b> Advocate <b>Nationality:</b> Indian	Appointed as an Independent Director w.e.f.- 08/06/2022  Term: 5 years	-
<b>Mr. Bikram Singh Rana</b> S/o Mr. OM Prakash Rana <b>Designation:</b> Non-Executive and Independent Director <b>Age:</b> 44 years <b>Address:</b> House No. 13-A, Kala Singh Road, New Geeta Colony, Basti Shekh, Jalandhar-144001, Punjab, India <b>DIN:</b> 07767074 <b>Occupation:</b> Business <b>Nationality:</b> Indian	Appointed as an Independent Director w.e.f.- 06/07/2022  Term: 5 years	1. Fair Study And Settle Abroad Services Private Limited
<b>Mr. Naveen Gupta</b> S/o Mr. Surinder Kumar <b>Designation:</b> Non Executive and Independent Director <b>Age:</b> 42 years <b>Address:</b> House No. S-6/106, Gali No. 2, Ram Sharnam Colony, Pathankot- 145001, Punjab- India <b>DIN:</b> 09684403	Appointed as an Independent Director w.e.f.- 25/07/2022  Term: 5 years	-

Name, Age, Designation, Address, Din No., Occupation & Nationality	Date of Appointment & Term	Other Directorships
<b>Occupation:</b> Business <b>Nationality:</b> Indian		

*Note: For further details on their qualification, experience etc., please see their respective biographies under the heading “Brief Profile of the Directors of our Company” as mentioned on page no. 120 of this Draft Prospectus.*

- *Our Promoter and two independent directors, Mr Bikram Singh Rana and Mr. HarvinderSinghwere the Directors of Midland services Limited, an associate of our Company which was listed with Metropolitan Stock Exchange of India Limited and the same company merged with our Company with effect from the appointed date April 01, 2019. Midland Services Limited merged with our Company pursuant to Sections 230 to 232 Read with Section 52 & 66 of the Companies Act, 2013 along with the Companies (Compromises, Arrangements and Amalgamations) Ruler, 2016, as amended, under a scheme of arrangement and amalgamation which was approved by the National Company Law Tribunal, Chandigarh by its order dated March 17, 2020. Pursuant to this scheme, all estate, assets, properties, debts, outstanding credits, liabilities, duties and obligations of Midland Services Limited have been transferred to and vested in our Company. Upon the scheme coming into effect, all equity shares held by our Company in Midland Services Limited stood cancelled. In consideration for the transfer and vesting of the undertaking and business of Midland Services Limited in our Company, our Company allotted to each shareholder of Midland Services Limited (other than our Company) 1 (one) fully paid Equity Shares of Rs. 10 each for every 5 (five) Equity Shares of Rs.10 each held in Midland Services Limited. Midland was voluntary delisted from the Exchange records w.e.f. October 18, 2018 vide Circular No. MSE/LIST/6874/2018 dated October 8, 2018 in accordance with Chapter VII of SEBI (Delisting of Equity Shares) Regulations, 2008, and the voluntary delisted 31,99,725 Equity Shares of Rs.10/- each from the Capital Market Segment of the Exchange.*
- *The Independent Directors of our company viz. Mr. Naveen Gupta and Mr. Bikram Singh Rana Independent Directors of the Company has not passed/cleared the online proficiency self-assessment test conducted by Indian Institute of Corporate Affairs to approve proficiency of a person to be appointed as an Independent Director of any company.*

**Confirmations as on the date of this Draft Prospectus:**

- i) None of the above-mentioned Directors are on the RBI List of wilful defaulters as on date of this Draft Prospectus.
- ii) None of the above-mentioned Directors have been and/or are being declared as fugitive economic offenders as on date of this Draft Prospectus.
- iii) 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 by SEBI from accessing the capital market.
- iv) None of the Promoters, Directors or persons in control of our Company, have been or are 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.
- v) Further, none of our directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) during the (5) five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
- vi) There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or member of the senior management.
- vii) The Directors of our Company have not entered into any service contracts with our Company which provide for benefits upon termination of employment.

viii) No proceedings/ investigations have been initiated by SEBI against any Company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms of Companies in which they are interested by any person either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

### **Relationship between Directors**

Except for Mrs. Rajni Mahajan being wife of Mr. Manan Mahajan; none of the other Directors are related to each other and have any family relationships as per section 2(77) of the Companies Act, 2013.

### **Brief Profile of the Directors of our Company**

**Mr. Manan Mahajan**, aged 43 years, is our Founder, Whole Time Director and Chief Financial Officer. He is Commerce Graduate, Post Graduate Diploma Holder in Business Management and a Law Graduate. He has 18 years of experience in the fields of Finance, Accounting, Compliance and Business Development. He has been associated with the Bullion Trading Industry since 2014 and gradually he converted Amanaya into a bullion trading company. Mr. Mahajan has widely travelled all over the India in connection of promotion of business and learning evolving practices in Bullion Trade. Under his leadership our company has been successful in developing a digital trading platform for our products domestically. He is responsible for the Finance, Accounting, Sourcing and Product Pricing in our Company.

**Mrs. Rajni Mahajan**, aged 37 years, is our Managing Director. She is graduate, Msc (IT) and has over a decade of practical experience in the field of administration and relationship management. She is instrumental in the growth of our business and has developed vibrant relations with our customers. She is responsible for overall supervision and management of our business in the company.

**Mr. Harvinder Singh Dhani**, aged 57 years, is a Non-Executive Independent Director of our company. He is B.COM, M.COM, MBA and LLB pass out professional. He is also the member of Insolvency and Bankruptcy Board of India. He has experience of over 32 years in the field of Accounting, Taxation and Compliance and worked in various positions with different organizations for 27 years. Presently he is practicing as an Advocate and registered with Bar Council of Amritsar and Tax Bar Association Amritsar.

**Mr. Bikram Singh Rana**, aged 44 years, Non-Executive Independent Director of our company and is a Commerce Graduate. He has more than 22 years of experience in finance, Accounting and Business development. He has vast experience in the marketing of sports and hand tools items through E-commerce channels.

**Mr. Naveen Gupta**, aged 42 years, Non-Executive Independent Director of our company is an M.B.A. from IMT Ghaziabad. He has more than 18 years of General Management experience in the manufacturing industry. Presently he is an overall plant in charge of Mahajan Conveyors.

### **Borrowing Powers of the Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum or sums of money for the purposes of our Company.

Pursuant to a special resolution passed on July 06, 2022, our shareholders in their Annual General Meeting authorized our Board to borrow from time to time such sums of money as may be required under Section 180(1)(c) of the Companies Act, 2013, provided that such amount shall not exceed Rs. 50.00 Crores.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled 'Main Provisions of the Articles of Association' beginning on page no. 232 of this Draft Prospectus.



## Compensation of Our Directors

### Terms and conditions of employment of our Managing Director & CFO

#### Mr. Manan Mahajan, Whole-Time Director and Chief Financial Officer

Mr. Manan Mahajan was appointed as the Whole-Time Director and Chief Financial Officer of the Company vide AGM dated 06-07-2022, for a term of five years commencing from 06-07-2022. The significant terms of his employment are as below:

<b>Salary</b>	Rs. 4.80 Lakhs p.a.
<b>Perquisites and other benefits</b>	Nil
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during her tenure, the Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

There is no definitive and /or service agreement that has been entered into between our Company and the Whole-Time Director and Chief Financial Officer in relation to his appointment.

#### Mrs. Rajni Mahajan, Managing Director

Mrs. Rajni Mahajan was designated as the Managing Director of the Company of the Company vide AGM dated 06-07-2022, for a term of three years commencing from 06-07-2022. The significant terms of her employment are as below:

<b>Remuneration per annum</b>	Rs. 3.00 Lakhs p.a.
<b>Perquisites and other benefits</b>	Nil
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during her tenure, the Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

There is no definitive and /or service agreement that has been entered into between our Company and the Managing Director in relation to her appointment.

### Remunerations and/ or Sitting Fees paid to our Non-Executive and Independent Directors

Our Non-Executive Directors and Non-Executive Independent Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board and as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations. No remunerations and/ or sitting fees is paid/ payable to any of our Non-Executive and Independent Director.

### Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of filing of this Draft Prospectus, except the following, none of our other Directors hold any Equity Shares of our Company:

<b>Name of Director</b>	<b>Designation</b>	<b>No. of Shares held in our Company</b>	<b>% Of pre-issue paid-up Equity Share Capital</b>
Mr. Manan Mahajan	WTD & CFO	12,72,705	50.13
Mrs. Rajni Mahajan	MD	2,45,539	09.67
<b>Total</b>		<b>15,18,244</b>	<b>59.80</b>

### Bonus or Profit-Sharing Plan for the Directors

There is no bonus or profit-sharing plan for the Directors of our Company.

### **Contingent and Deferred Compensation payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation as on the date of filing this Draft Prospectus. Further, there is no contingent or deferred compensation accrued for the year, which is payable to our directors as on the date of filing this Draft Prospectus.

### **Changes in the Board for the last three years**

Except as mentioned below, there has been no change in the Board of Directors:

<b>Name of Director</b>	<b>Date of Change</b>	<b>Reasons</b>
Ms. Sonia	10/12/2019	Resignation from the post of Directorship
Mrs. Rajni Mahajan	18/02/2019	Appointment as Director
Mrs. Rajni Mahajan	06/07/2022	Re-Appointed as Managing Director
Mr. Manan Mahajan	06/07/2022	Re-Appointed as as Whole Time Director cum Chief Financial Officer
Mr. Harvinder Singh Dhani	08/06 /2022	Appointed as Additinal Director
Mr. Harvinder Singh Dhani	06/07/2022	Regularize as Non-Executive Independent Director
Mr. Naveen Gupta	25/07/2022	Appointed as Non-Executive Independent Director

### **Interest of Directors**

All of our Directors, Non-Executive Independent Director may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to him for his services as Executive Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/ paid or any loans or advances provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors, Non-Executive Independent Director may also be deemed to be interested to the extent of equity shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our Non-Promoter Directors, out of the Issue and also to the extent of any dividend payable to them and other distribution in respect of the said equity shares.

The Directors, Non-Executive Independent Director may also be regarded as interested in the equity shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/ or trustees.

Our Directors, Non-Executive Independent Director may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the equity shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as directors, members, partners and promoters, pursuant to the Issue.

All our Directors, Non-Executive Independent Director may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself or other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

### **Interest in promotion of Our Company**

Except as stated in this chapter titled “Our Management” and the chapter titled “Financial Statement- *Annexure X- Related Party Transactions*” beginning on page nos. 118 and 142 of this Draft Prospectus respectively and to the extent to remuneration received/ to be received by our directors, none of our Directors have any interest in the promotion of our Company.

### **Interest in the property of Our Company**

Save and except as stated otherwise in “Our Properties” within the chapter titled “Business Overview” on page no. 88 and in ‘*Annexure-X: Restated Statement of Related Party Transactions*’ in the chapter titled ‘Financial Statement’ beginning on page no. 142 of this Draft Prospectus:

Our directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of this Draft Prospectus;

Our directors do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company as on the date of this Draft Prospectus; Our directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them as on the date of this Draft Prospectus.

### **Interest in the business of Our Company**

Save and except as stated otherwise in ‘*Annexure-X: Statement of Related Party Transactions*’ in the chapter titled ‘Financial Statement’ beginning on page no. 142 of this Draft Prospectus:

Our Directors do not have any other interests in our Company and/or our business as on the date of this Draft Prospectus except to the extent of their shareholding in our Company and/ or their relative shareholding in our Company and/ or any dividends paid/ payable to them and/ or their relatives and/or any other distributions in respect of the Equity Shares of our Company;

Our Directors are not interested in the appointment of Underwriters, Market Markers, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI as required to be appointed for the process of listing; There is no arrangement or understanding with major shareholders, customers, suppliers, or others, pursuant to which any of the directors was selected as a director or member of senior management.

Our company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

### **Interest as a creditor of Our Company**

Except as stated in the ‘*Annexure-X: Statement of Related Party Transactions*’ on page no. 142 and chapter titled “*Statement of Financial Indebtness*” on page no. 165 in the chapter titled ‘Financial Statement’ beginning on page no. 142 of this Draft Prospectus:

Our Company has not availed any loans from our Directors of our Company as on the date of this Draft Prospectus; None of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

### **Interest as Director of our Company**

Except as stated in the chapter titled ‘Our Management, ‘Capital Structure’ and ‘*Annexure-X: Statement of Related Party Transactions*’ on page no. 118, 56 and 142 of this Draft Prospectus, our Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as

well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and in terms of our AOA

### **Interest of Key Managerial Personnel**

Except for our Managing Director and Whole Time Director and CFO- Mrs. Rajni Mahajan and Mr. Manan Mahajan, none of the key managerial personnel has any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration except as stated in the chapter titled 'Our Management, 'Capital Structure' and '*Annexure-X: Statement of Related Party Transactions*' beginning on page no. 118118, 56 and 142 of this Draft Prospectus.

### **Details of Service Contracts**

Except as stated in the '*Annexure-X: Statement of Related Parties' Transactions*' on page no. 142 and in the Chapter titled "Statement of Financial Indebtedness" of our Company on page no. 165 of this Draft Prospectus, there is no service contracts entered into with any Directors for payments of any benefits or amount upon termination of employment.

### **Corporate Governance**

Applicable provision of the Companies Act, 2013 with respect to corporate governance and the provisions of the SEBI (LODR) Regulations, 2015, as amended from time to time, will be applicable to our Company upon the listing of the Equity Shares with the Stock Exchanges in India.

Our Company is in compliance with the corporate governance code in accordance with Companies Act, 2013, SEBI (LODR) Regulations, 2015 and SEBI Regulations, as amended from time to time, particularly those relating to composition of Board of Directors and constitution of committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific operational areas.

### **Composition of Board of Directors**

Currently, the Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in accordance with Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Our Board has five Directors, comprising of One Managing Directors, One Whole Time Director and Three Non-Executive Independent Directors.

### **Our Company has constituted the following Committees in compliance with the corporate governance norms:**

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee; and
4. Internal Complaints Committee

## Audit Committee

The Audit Committee was constituted pursuant to section 177 of the Companies Act, 2013 with the following members forming a part of the said Committee:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Harvinder Singh Dhami	Chairman	Non-Executive Independent Director
Mr. Bikram Singh Rana	Member	Non-Executive Independent Director
Mr. Manan Mahajan	Member	Whole Time Director & CFO

The Company Secretary and Compliance Officer of the Company will act as the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- 5) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 14) Discussion with internal auditors any significant findings and follow up there on.
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 18) To review the functioning of the Whistle Blower mechanism.

- 19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

***The Audit Committee enjoys following powers:***

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

***The Audit Committee shall mandatorily review the following information:***

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

***Quorum and Meetings***

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

**Nomination and Remuneration Committee**

The constitution of the Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors pursuant to section 178 of the Companies Act, 2013 with the following members forming a part of the said Committee:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Harvinder Singh Dhami	Chairman	Non-Executive Independent Director
Mr. Bikram Singh Rana	Member	Non-Executive Independent Director
Mr. Naveen Gupta	Member	Non-Executive Independent Director

The Company Secretary and Compliance Officer of the Company will act as the secretary of the Nomination and Remuneration Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of Independent Directors and the Board;
- 3) Devising a policy on Board diversity;
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- 5) To recommend to the Board, the remuneration packages i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc. of the executive directors;
- 6) To implement, supervise and administer any share or stock option scheme of our Company; and
- 7) To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater.

### **Stakeholder's Relationship Committee**

The Shareholders and Investors Grievance Committee have been formed by the Board of Directors pursuant to section 178 (5) of the Companies Act, 2013 with the following members forming a part of the said Committee:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Bikram Singh Rana	Chairman	Non-Executive Independent Director
Mr. Harvinder Singh Dhama	Member	Non-Executive Independent Director
Mr. Manan Mahajan	Member	Whole Time Director & CFO

The Company Secretary and Compliance Officer of the Company will act as the secretary of the Shareholders/ Investors Grievance Committee.

This Committee will address all grievances of Shareholders and Investors in compliance of the provisions of section 178 (5) of the Companies Act, 2013 and its terms of reference include the following:

1. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares;
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
3. Allotment of shares, monitoring and approving transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers; and
7. Carrying out any other function contained in the SEBI (LODR) Regulations as and when amended from time to time.

### **Quorum and Meetings**

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

## **Internal Complaints Committee**

The Sexual Harassment Committee was constituted by the Board of Directors at the meeting held on July 25, 2022 in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As on the date of this Draft Prospectus the Sexual Harassment Committee consists of the following Directors:

<b>Sr. No.</b>	<b>Name of the Members</b>	<b>Position in the Committee</b>	<b>Designation</b>
1.	Mrs. Rajni Mahajan	Presiding Officer	Managing Director
2.	Ms. Sonia	Member	Employee
3.	Mr. Manan Mahajan	Member	WTD & CFO
4.	Mr. Prince Kumar	Member	Employee

The Company Secretary and Compliance Officer of the Company will act as the secretary of the Sexual Harassment Committee.

The scope and function of the Sexual Harassment Committee and its terms of reference shall include the following:

- 1) To create and maintain an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation.
- 2) Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the Company.
- 3) The committee shall take reasonable steps to ensure prevention of sexual harassment at work which may include circulating applicable policies and other relevant information to all associates, including to all new joiners'.
- 4) Ensure to provide safeguards against false or malicious charges.
- 5) To discourage and prevent employment-related sexual harassment.
- 6) To investigate every formal written complaint of sexual harassment.
- 7) Review the complainant's complaint in a fair and objective manner.
- 8) Determine the facts of the case with the individuals concerned and the witnesses, if any, and prepare a report with the findings.
- 9) To redress complaints of sexual harassment by taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment.
- 10) To protect the interests of the victim, the accused person and others who may report incidents of sexual harassment, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.
- 11) To ensure all records of complaints, including contents of meetings, results of investigations and other relevant material kept are confidential by the Company except where disclosure is required under disciplinary or other remedial processes.
- 12) Be bound in the principle of natural justice and be unbiased in their evaluation.

### ***Quorum and Meetings***

The Sexual Harassment Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Sexual Harassment Committee whichever is greater, but there should be a minimum of two independent members present.

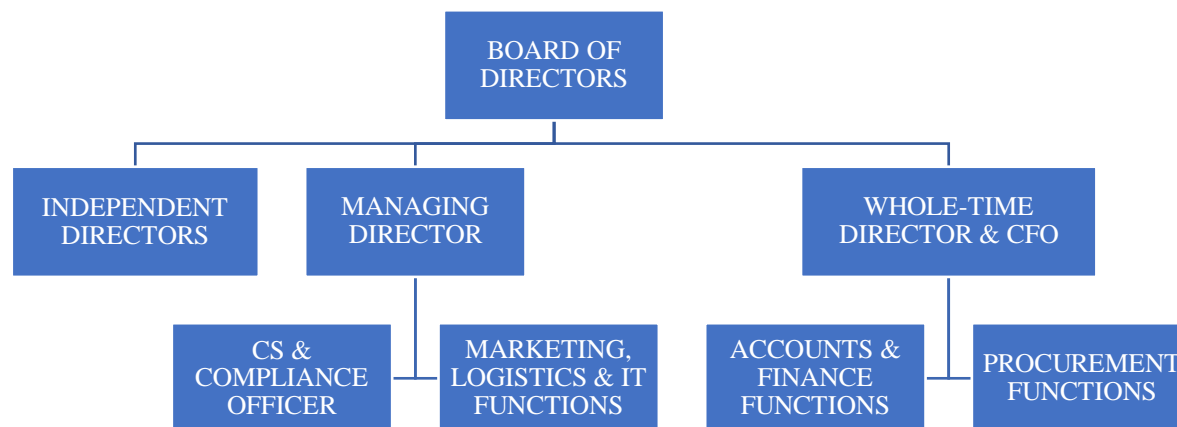
### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, after listing of our Company's shares on the Stock Exchanges. Our Company Secretary and Compliance Officer is responsible for setting forth policies, procedures, monitoring and adhering to



the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

## ORGANIZATIONAL STRUCTURE OF THE COMPANY



## OUR KEY MANAGERIAL PERSONNEL

Set forth below are the details of our key managerial personnel in addition to our Managing Director, Whole-time Director & CFO as on the date of the Draft Prospectus. For details of our Managing Director, Whole-time Director & CFO, please refer “Our Management” on no. 118 of this Draft Prospectus.

**Mrs. Gurpreet Kaur**, aged 32 years, is the Company Secretary & Compliance Officer of our Company. She is a qualified B.COM and Company Secretary and has an experience of 5 years. No remuneration was paid to him during fiscal ended March 31, 2022.

### Notes:

All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees. There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.

### Relationship between Key Managerial Personnel, Promoters and Directors

Except for Mrs. Rajni Mahajan being wife of Mr. Manan Mahajan; none of the other directors are related to each other and have any family relationships as per section 2(77) of the Companies Act, 2013.

### Arrangement / Understanding with Major Shareholders / Customers / Suppliers

As on the date of this Draft Prospectus, Our Company has no arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors or Key Managerial Personnel was selected as a director or member of senior management.

### Shareholding of the Key Managerial Personnel

Except for Managing Director, Whole-time Director & CFO as mentioned above in this chapter none of the above mentioned key managerial personnel hold any Equity Shares in our Company. For details of shareholding of our Directors and key managerial personnel, please refer “Capital Structure” on page no. 56 of this Draft Prospectus.

### Changes in Key Managerial Personnel during the last three years

Following have been the changes in the Key Managerial Personnel during the last three years:

Name	Date Of Appointment	Date of Cessation	Reasons
Mr. Prince Kumar	-	10/12/2019	Resignation from the post of Manager
Mrs. Rajni Mahajan	06/07/2022	-	Re-Appointed as Managing Director
Mr. Manan Mahajan	06/07/2022	-	Re-Appointed as as Whole Time Director cum Chief Financial Officer
Mrs. Gurpreet Kaur	18/07/2022	-	Appointed as a CS and Compliance Officer

### Interest of Key Managerial Personnel

Except as disclosed in “Interest of Directors” on page no. 118 in respect of our directors, none of our other key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration and other than as stated in this Draft Prospectus.

### Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel and any bonus and/ or profit-sharing plan for the Key Managerial Personnel, except the normal bonus payment as a part of remuneration.

### Contingent and Deferred Compensation payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

### Scheme of Employee Stock Options or Employee Stock Purchase (ESOP/ESPS SCHEME)

Our Company does not have any Employee Stock Option Scheme or Employee Stock Purchase Scheme or any other similar scheme giving options in our Equity Shares to our employees.

### Loans to Key Managerial Personnel

Except as disclosed in chapter ‘Financial Statement’ beginning on page no. 142, there are no loans outstanding against the Key Managerial Personnel as on the date of this Draft Prospectus.

### Payment of Benefits to our Key Managerial Personnel (Non- Salary Related)

Except for the payment of salaries, perquisites and reimbursement of expenses incurred in the ordinary course of business and as disclosed in ‘Annexure-X: Statement of Related Party Transactions’ under the chapter ‘Financial Statement’ beginning on page no. 142 we do not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel. Further, we have not paid/ given any other benefit to the officers of our Company,

within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Prospectus.

**Service Contracts with Key Managerial Personnel**

As on the date of this Draft Prospectus, our Company has not entered into any service contracts with the Key Managerial Personnel's.

## OUR PROMOTER AND PROMOTER GROUP

The Promoter of our Company is Mr. Manan Mahajan as on date of this Draft Prospectus, our Promoter hold 12,72,705 Equity Shares having face value of Rs. 10 per share and representing 50.13% of the pre-issue Paid up Capital of our Company.

### THE BRIEF PROFILE OF OUR PROMOTER IS AS FOLLOWS:

#### Mr. Manan Mahajan

	<p><b>Mr. Manan Mahajan</b>, aged 43 years, is our founder, Whole Time Director and Chief Financial Officer. He is Commerce Graduate, Post Graduate Diploma Holder in Business Management and a Law Graduate. He has 18 years of experience in the fields of Finance, Accounting, Compliance and Business Development. He has been associated with the Bullion Trading Industry since 2014 and gradually he converted Amanaya into a bullion trading company. Mr. Mahajan has widely travelled all over the India in connection of promotion of business and learning evolving practices in Bullion Trade. Under his leadership our company has been successful in developing a digital trading platform for our products domestically. He is responsible for the Finance, Accounting, Sourcing and Product Pricing in our Company.</p> <p>For a complete detail of his profile, please refer chapter titled “<b>Our Management</b>” on page no. 118 of this Draft Prospectus.</p> <p>As on the date of this Draft Prospectus, <b>Mr. Manan Mahajan</b> holds 12,72,705 Equity Shares representing 50.13% of the pre-issue paid-up share capital of our Company.</p> <p>For details of other ventures of <b>Mr. Manan Mahajan</b>, please refer “<i>Our Group Companies/Entities</i>” on page no.139.</p>
<b>PAN</b>	AJSPM2487L
<b>Nationality</b>	Indian
<b>Address</b>	10, Nagina Avenue, Majitha Road, Amritsar-143001, Punjab, India
<b>Other Details</b>	
- E.C. Voter Id No.;	- SLH1481373
- Driving License No.	- PB02 20180011152
<b>Other Directorship</b>	1. Sarvvayapi Nidhi Limited 2. AmanayaSmartlife IMF LLP

*For details of the build-up of our Promoter’ shareholding in our Company, please see “Capital Structure – Shareholding of our Promoter” beginning on page no 56 of this Draft Prospectus.*

#### Other Declaration and Confirmations

Our Company hereby confirms that the personal details of our Individual Promoter viz., Permanent Account Number, Passport Number and Bank Account Number will be submitted to the Stock Exchange at the time of filing this Draft Prospectus with them.

#### Our Promoters, members of our Promoter Group, Promoter Group Entities/ Companies confirm that:

- They have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;

- They have not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- Have not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016;
- They are not a Promoters, directors or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI;
- They have not been identified as a willful defaulter by RBI or any other Government authority; and
- There are no violations of securities laws committed by them in the past or any such proceedings are pending against the them.

#### ***Relationship of Promoters with our Directors***

Our Promoter, Mr. Manan Mahajan as Whole Time Director and Chief Financial Officer hold directorship in the Company as on the date of filing of this Draft Prospectus. For details regarding their directorship and change in the board for the last three years in our Company, please refer to the chapter titled "***Our Management***" beginning on page no. 118 of this Draft Prospectus.

Except for Mrs. Rajni Mahajan being wife of Mr. Manan Mahajan; none of the other directors and/ key managerial personnel's are related to each other and have any family relationships as per section 2(77) of the Companies Act, 2013.

#### ***Change in the Management and control of our Company***

Our Promoter is the original Promoter of our Company and there has been no change in the Promoters, management, or control of our Company in the five years immediately preceding the date of this Draft Prospectus.

#### ***Details of Companies / Firms from which our Promoter have disassociated***

Our Promoters have not disassociated himself from any firms or companies in the last three (3) years preceding this Draft Prospectus.

#### ***Common Pursuits of Our Promoters***

For details of related party transactions with our Promoter and Promoter Group Companies/ Entities, please refer '***Annexure-X: Statement of Related Party Transactions***' of the chapter titled '***Financial Statement***' beginning on page no.142.

Further, as on the date of filing this Draft Prospectus, we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

#### ***Interest of Promoters***

None of our Promoter / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner and to the extent of benefits arising out of such shareholding.

For further details please see the chapters titled “Capital Structure”, “Financial Information” and “Our Management” beginning on page nos. 56, 142 and 118 of this Draft Prospectus. Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

### ***Interest in promotion of Our Company***

Our Promoter hold 12,72,705 Equity Shares having face value of Rs. 10 per share and representing 50.13% of pre-issue Equity Share Capital in our Company.

Our Promoter are interested to the extent that they have promoted our Company and to the extent of their shareholding in our Company & dividend payable thereon, if any and the shareholding of their relatives in our Company and the dividend declared and due, if any, and employment related benefits paid by our Company. For details regarding shareholding of our Promoter in our Company, please refer to the chapters titled “***Capital Structure***” and “***Our Management***” on page no. 56 and 118, respectively of this Draft Prospectus.

Our Promoter may be interested to the extent of unsecured loans granted to our Company, if any. Further, our Promoter may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners. Further, they may be deemed to be interested to the extent of transactions carried on / payment made by our Company to the HUF/ proprietorship firm / partnership firm / companies in which they may act as a Karta/ Proprietor/ Partner / Promoter and/or Directors. Except for one of our Promoter-Mr. Manan Mahajan who is the Karta of AmanayaSmartlife IMF LLP and Director in Sarvvayapi Nidhi Limited, and Proprietorship of Mahajan Trading Co. by Mrs. Rajni Mahajan there are no other companies, partnership firms and proprietorships and HUF’s forming part of our Promoter Group Entities/ Companies. For further details, please refer to ‘***Annexure –X: Statement of Related Party Transactions***’ in the chapter titled ‘***Financial Statement***’ beginning on page no. 142 of this Draft Prospectus.

Our Promoter is the Director of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AOA of our Company. For details refer to the chapter titled “***Our Management***”, “***Financial Statements***” and “***Capital Structure***” beginning on page nos. 118, 142 and 56 respectively of this Draft Prospectus.

### ***Experience of our Promoter in the business of our Company***

For details in relation to experience of our Promoter in the business of our Company, see Chapter “***Our Promoter and Promoter Group***” and “***Our Management***” beginning on page no. 132 and 118 of this Draft Prospectus.

### ***Interest in the property of Our Company***

Except as disclosed in the chapters titled “***Business Overview***” beginning on page no. 88 and ‘***Annexure-X: Statement of Related Party Transactions***’ in the chapter titled ‘***Financial Statement***’ beginning on page no. 142 of this Draft Prospectus, our Promoter does not have any interest in any property acquired two years prior to the date of this Draft Prospectus.

Further, our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Our promoters may be interested in rent being paid by our Company to certain relatives of promoter who owns the registered office being occupied by the Company. For further details please see “***Business Overview***” and “***Financial Statements***” beginning on page nos. 88 and 142 of this Draft Prospectus.

### ***Interest in transactions involving acquisition of land***

As on the date of this Draft Prospectus, except as disclosed in '*Annexure –X: Statement of Related Party Transactions*' in the chapter titled '*Financial Statement*' beginning on page no. 142 of this Draft Prospectus, our Promoter does not have any interest in any property or in any transaction involving acquisition of land, construction of building or supply of any machinery by our Company.

#### ***Interest as a creditor of Our Company***

Except as stated in the '*Annexure –X: Statement of Related Party Transactions*' in the chapter titled '*Financial Statement*' beginning on page no. 142 of this Draft Prospectus, our Company has not availed any loans from the Promoters of our Company as on the date of this Draft Prospectus.

#### ***Interest as Director of our Company***

Our Promoter, Mr. Manan Mahajan, holds directorship in the Company as on the date of filing the Draft Prospectus. For details regarding their directorship and change in the board for the last three years in our Company, please refer to the chapter titled "*Our Management*" beginning on page no. 118 of this Draft Prospectus.

Except as stated in '*Annexure –X: Statement of Related Party Transactions*' in the chapter titled '*Financial Statement*' beginning on page no. 142 of this Draft Prospectus and shareholding of our Promoter in our Company in the chapter titled "*Capital Structure*" beginning on page no. 56 of this Draft Prospectus, our Promoter does not have any other interest in our company.

#### ***Interest as members of our Company***

Our Promoter is interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled "*Capital Structure*" beginning on page no. 56 of this Draft Prospectus.

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoter nor have our Promoter been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated '*Annexure –X: Statement of Related Party Transactions*' of the chapter titled '*Financial Statements*' beginning on page no. 142 of this Draft Prospectus.

#### ***Other Ventures of Promoter of Our Company***

Except as disclosed in the chapter titled '*Our Promoter and Promoter Group*' and '*Our Group Companies/Entities*' beginning on page no. 132 and 139 of this Draft Prospectus, there are no other ventures of our Promoters in which they have any other business interests/other interests.

#### ***Payment or Benefit to Promoter of Our Company***

Save and except as stated otherwise in '*Annexure –X: Statement of Related Party Transactions*' in the chapter titled '*Financial Statement*' beginning on page no. 142 of this Draft Prospectus, no payment has been made or benefit given or is intended to be given to our Promoter in the three (3) years preceding the date of this Draft Prospectus.

#### ***Related Party Transactions***

For details of related party transactions entered into by our Promoter, members of our Promoter Group and our Company, please refer to '*Annexure –X: Statement of Related Party Transactions*' of the chapter titled '*Financial Statement*' beginning on page no. 142 of this Draft Prospectus.

#### ***Guarantees***

Our Promoter(s) have not given personal guarantees, respectively, towards financial facilities availed from Bankers of our Company; therefore, they are interested to the extent of the said guarantees. For details, please refer to ‘*Statement of Financial Indebtness*’ on page no. 165 of the chapter titled ‘*Financial Statement*’ beginning on page no. 142 of this Draft Prospectus.

Except as stated in the ‘*Statement of Financial Indebtness*’ on page no. 165 of the chapter titled ‘*Financial Statement*’ beginning on page no. 142 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

***Litigation details pertaining to our Promoter***

For details of legal and regulatory proceedings involving our Promoter, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 172 of this Draft Prospectus.

**OUR PROMOTER GROUP**

In addition to the Promoter named above, the following natural persons are part of our Promoter Group:

**1) Natural Persons who are part of the Promoter Group**

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the natural persons who are part of the Promoter Group (due to their relationship with the Promoter), other than the Promoter, are as follows:

<b>Relationship with Promoter</b>	<b>Mr. Manan Mahajan</b>
Father	Mr. Sabha Jit Mahajan
Mother	Mrs. Shashi Mahajan
Spouse	Mrs.Rajni Mahajan
Brother	-
Sister	-
Son	Mr. Adish Mahajan (Minor)
Daughter	Ms. Shreya Mahajan(Minor)
Spouse`s Father	Mr. Mangat Ram
Spouse`s Mother	Mrs. Nirmal Rani
Spouse`s Brother	Mr. Chetan Mahajan
Spouse`s Sister	Ms. Benu Mahajan

**2) As per Regulation 2(1) (pp) (iv) of the SEBI (ICDR) Regulations, 2018, Companies/ Corporate Entities, Firms, Proprietorships and HUFs which form part of our Promoter Group are as follows:**

As per the extent of information available in relation to our Promoter group, there are no other companies, partnership firms, proprietorships and HUF’s forming part of our Promoter Group as on date of this Draft Prospectus except for

1. Sarvvayapi Nidhi Limited
2. AmanayaSmartlife IMF LLP
3. Mahajan Trading Co.

**Details of Common Pursuits between our Company and Our Promoter Group Companies/ Entities:**

For details of related party transactions with our Promoter and Promoter Group Companies/ Entities, please refer ‘*Annexure–X: Statement of Related Party Transactions*’ on page no. 140 of the chapter titled ‘*Financial Statement*’ beginning on page no. 142.

Further, as on the date of filing this Draft Prospectus, we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall



adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

***Group Entities/ Companies from which the Promoter have disassociated themselves in last 3 (three) years***

Our Promoters have not disassociated themselves from any company or firm in the three years immediately preceding the date of this Draft Prospectus.

***In the promotion of our Company***

None of the Group Entities/ Companies has any interest in the promotion of our Company except as disclosed in the section titled “**Financial Statements**” beginning on page no. 142 of this Draft Prospectus and to the extent of their shareholding in our Company and as disclosed in the chapter titled “**OurGroup Companies/Entities**” beginning on page no. 139 of this Draft Prospectus.

***In the properties acquired by our Company***

None of the Group Entities/ Companies has any interest in the properties acquired by our Company within the three years of the date of filing this Draft Prospectus or proposed to be acquired by our Company except as disclosed in the section titled “**OurGroup Companies/Entities**” and “**Financial Statements**” beginning on page nos. 139 and 142 of this Draft Prospectus.

***Payment or benefit to our Group Entities/ Companies***

Except as stated otherwise in ‘**Annexure–X: Statement of Related Party Transactions**’ of the chapter titled ‘**Financial Statement**’ beginning on page no. 142 of this Draft Prospectus, there has been no payment or benefits to our Group Entities/ Companies during the three years prior to the filing of this Draft Prospectus.

***Related business transactions between our Company and the Group Companies/Entities and its significance on the financial performance of Our Company***

For details, please refer to **Annexure –X: Statement of Related Party Transactions**’ of the chapter titled ‘**Financial Statements**’ beginning on page no. 142 of this Draft Prospectus.

***Business interests of Group Companies/ Entities and/or Subsidiaries and/or Associate Companies in our Company***

None of the Group Companies/ Entities and/or Subsidiaries and/or Associate Companies have any interests in the business of our Company or interest of any other nature as on the date of this Draft Prospectus, other than as disclosed in ‘**Annexure –X: Statement of Related Party Transactions**’ of the chapter titled ‘**Financial Statements**’ and “**OurGroup Companies/Entities**” beginning on page no. 142 and 139 of this Draft Prospectus.

***Sale/purchase between Our Company and Group Companies***

For any other details relating to sales or purchases between our Company and any of our Group entities, please refer to ‘**Annexure –X: Statement of Related Party Transactions**’ of the chapter titled ‘**Financial Statements**’ beginning on page no. 142 of this Draft Prospectus.

***Defunct/ Sick Companies/ Dormant/ Winding up of our Group Entities/ Companies***

None of the other Group Entities/ Companies has been declared as

- A sick company under the Sick Industrial Companies (Special Provisions) Act, 1985;
- A defunct and no application has been made to the Registrar of Companies for striking off the name of our Group Company during the (5) five years preceding the date of this Draft Prospectus.

Further, there are no winding up proceedings against any of our Group Entities/ Companies.

***Litigation***

For details relating to legal proceedings involving our Group Companies/Entities, if any, please refer to the chapter titled '*Outstanding Litigations and Material Developments*' beginning on page no. 172 of this Draft Prospectus.

### **Confirmations/ Undertaking**

None of our individual members forming a Promoter Group or Group Companies/Entities or person in control of our Company:

- Has been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- Has been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad; or
- Has a negative net worth as of the date of the respective last audited financial statements; or
- Has been debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority; or
- Has not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018; or
- Have not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016 or
- Has not been identified as a willful defaulter by RBI or any other Government authority; or
- Has not committed any violations of securities laws in the past or does not any such proceedings that are pending against them.

Further, neither our Promoters nor the relatives of our individual Promoter (as defined under the Companies Act) have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

## OUR GROUP COMPANIES/ ENTITIES

As per the SEBI ICDR Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable accounting standard (AS-18) issued by the Institute of Chartered Accountants of India such other companies as considered material by our Board.

Pursuant to a Board resolution dated July 06, 2022, the Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that all companies which are identified as related parties in accordance with Accounting Standards 18 as per the Financial Statements are identified as group entities.

Accordingly, in terms of the SEBI Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated July 06, 2022, our Group Companies includes:

- 1) Such Company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI Regulations, 2018;
- 2) Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Financial Statements of the Company for the last five financial years and
- 3) All companies forming part of the Related Party Transactions, with whom our Company has entered into one or more transactions during any of the last three fiscals such that the transaction value with our Company in any of the aforementioned fiscals / period exceeds 10% of the total revenue of our Company in the respective fiscals / period.

Further, companies which have been disclosed as related parties in the Financial Statements of our Company for the last five financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

Except as specified under the section **“Our Promoter and Promoter Group”** beginning on page no. 132 of this Draft Prospectus, there are no companies which are considered material by the Board to be identified as a group company. No equity shares of our Group Companies are listed on any stock exchange and none of them have made any public or rights issue of securities in the preceding three years.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to ‘Annexure – X: Statement of Related Party Transactions’ on page no. 140 of the chapter titled ‘Financial Statements’ beginning on page no. 142 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 at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant. The shareholders of our Company have the right to decrease 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. However, 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.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not declared and/or paid any dividend on equity shares since its incorporation.

## SECTION IX - FINANCIAL STATEMENTS

*The separate audited financial statements for the past financial years immediately preceding the date of the Draft Prospectus of our Company have been made available on the website of the Company at [www.amanaya.in](http://www.amanaya.in)*

### **INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION (As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

**To,  
The Board of Directors,  
Amanaya Ventures Limited**

Dear Sir,

We have examined the Restated Audited Financial Information of Amanaya Ventures Limited (formerly known as Amanaya Ventures Private Limited) ( hereunder referred to “the Company”, “Issuer”) comprising the Restated Audited Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 & March 30, 2020, the Restated Audited Statement of Profit & Loss, the Restated Audited Cash Flow Statement for the financial year ended March 31, 2022, March 31, 2021 & March 31, 2020, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Information) as approved by the Board of Directors in their meeting held on 06.07.2022 for the purpose of inclusion in the Offer Document, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) and prepared in terms of the requirement of:-

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) as amended (ICDR Regulations”); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”).

The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Chandigarh in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the financial year ended on March 31, 2022, 2021 and 2020 on the basis of preparation stated in ANNEXURE –IV to the Restated 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.

We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15<sup>th</sup> July 2022 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.

These Restated Financial Information have been compiled by the management from:

- a) Audited financial statements of company as at and for the period ended on March 31, 2022, 2021 and 2020 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.

For the purpose of our examination, we have relied on:

- a) Auditors' Report issued by the Statutory Auditors Manoj Mahajan & Associates. (The "Statutory Auditors") dated December 07, 2020, July 19, 2021, and April 28, 2022 for the financial year ended 31st March 2020, 31st March 2021 and 31<sup>st</sup> March 2022 respectively.

- b) The audit were conducted by the Company's previous auditor, and accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said years.

The modification in restated financials were carried out based on the modified reports, if any, issued by Statutory Auditor which is giving rise to modifications on the financial statements as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020. There is no qualification of statutory auditor for the Financial Statement of 31st March 2022, March 31st, 2021 and 31st March 2020.

The audit reports on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements as at and for the year ended on, March 31, 2022, 2021 and 2020:-

- a) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
- c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- d) There were no qualifications in the Audit Reports issued by us and the Statutory Auditors for the Financial Year Ended March 31, 2022, 2021 and 2020 which would require adjustments in this Restated Financial Statements of the Company;
- e) 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 –IV to this report;
- f) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies,
- g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;
- h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement
- i) The Company has not paid any dividend since its incorporation.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a) The “Restated Statement of Assets and Liabilities” as set out in ANNEXURE –I to this report, of the Company as at, March 31, 2022, 2021 and 2020 is prepared by the Company and approved by the Board of Directors. These Restated Summary 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 –IV to this Report.
- b) The “Restated of Profit and Loss” as set out in ANNEXURE –II to this report, of the Company for the year ended on March 31, 2022, 2021 and 2020 is prepared by the Company and approved by the Board of Directors. These Restated Summary 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 –IV to this Report.
- c) The “Restated Statement of Cash Flow” as set out in ANNEXURE –III to this report, of the Company for the year ended on March 31, 2022, 2021 and 2020 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated 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 –IV to this Report.

Audit for the financial year ended on March 31, 2022, March 31, 2021 & March 31, 2020 was conducted by Manoj Mahajan & Associates accordingly reliance has been placed on the financial statement examined by statutory auditor for the said years. Financial Reports included for said years are solely based on report submitted by them.

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 Period ended on December 31, 2021&Financial Year Ended March 31, 2021, 2020 and 2019 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

RestatedStatement of Share Capital, Reserves And Surplus	Annexure – I.1 & Annexure – I.2
RestatedStatement of Deferred Tax (Assets) / Liabilities	Annexure – I.3
RestatedStatement of Trade Payables	Annexure – I.4
Restated Statement of Short Term Provisions	Annexure – I.5
RestatedStatement of Fixed Assets	Annexure – I.6
Restated Statement of Long Term Loans & Advances	Annexure – I.7
Restated Statement of Inventories	Annexure – I.8
Restated Statement of Trade Receivables	Annexure – I.9
RestatedStatement of Cash &Cash Equivalentents	Annexure – I.10
RestatedStatement of Short-Term Loans And Advances	Annexure – I.11
RestatedStatement of Other Current Assets	Annexure – I.12
RestatedStatement of Revenue from Operations	Annexure – II.1
RestatedStatement of Other Income	Annexure – II.2
Restated Statement of Purchase of Stock in Trade	Annexure - II.3
Restated Statement of Change in Inventories of Finished Goods	Annexure - II.4
Restated Statement of Employee Benefit Expenses	Annexure - II.5
Restated Statement of Depreciation &Amortisation	Annexure - II.6



Restated Statement of Other Expenses	Annexure - II.7
Restated Statement of Deferred Tax Asset / Liabilities	Annexure - II.8
Material Adjustment to the Restated Financial	Annexure – V
Restated Statement of Tax shelter	Annexure – VI
Restated Statement of Capitalization	Annexure – VII
Restated Statement of Contingent Liabilities	Annexure – VIII
Restated Statement of Accounting Ratios	Annexure – IX
Restated statement of related party transaction	Annexure – X

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE –IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, Bharat Gupta & Co., Chartered Accountants 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.

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.

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.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above financial information contained in ANNEXURE –I to X of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Offer of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For, Bharat Gupta & Co.**  
**Chartered Accountants**  
**Firm Registration Number: - 131010W**  
**Peer Review No. – 012751**

**CA Bharat Gupta**  
**(Partner)**  
**Membership No. 136055**  
**UDIN – 22136055APYTNM9581**  
**Date: 25<sup>th</sup> July 2022**  
**Place: Mumbai**

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

(Amount in Rs.)

Sr. No.	Particulars	Note No.	For The Year Ended 31 <sup>st</sup> March		
			2022	2021	2020
<b>A.</b>	<b>Equity and Liabilities</b>				
<b>1</b>	<b>Shareholders' Funds</b>				
	Share Capital	<b>I.1</b>	2,38,00,000	96,77,210	96,77,210
	Reserves & Surplus	<b>I.2</b>	(41,25,483)	89,25,281	88,13,370
	<b>Share application money pending allotment</b>		-	-	-
<b>2</b>	<b>Non-Current Liabilities</b>				
	Long-Term Borrowings		4,93,169	-	-
	Other Non-Current Liabilities		-	-	-
	Deferred Tax Liabilities	<b>I.3</b>	-	-	-
<b>3</b>	<b>Current Liabilities</b>				
	Short Term Borrowings		-	-	-
	Trade Payables	<b>I.4</b>	50	13,271	1,708
	Other Current Liabilities	<b>I.5</b>	39,839	59,571	6,53,287
	Short Term Provisions	<b>I.6</b>	1,54,619	29,716	5,928
	<b>Total</b>		<b>2,03,62,194</b>	<b>1,87,05,049</b>	<b>1,91,51,503</b>
<b>B.</b>	<b>Assets</b>				
<b>1</b>	<b>Non-Current Assets</b>				
	Fixed Assets				
	Tangible Assets	<b>I.7</b>	14,38,078	7,11,309	8,00,909
	Intangible Assets	<b>I.7</b>	12,636	25,461	38,286
	Capital Work In Progress		-	-	-
	Non-Current Investments		-	-	-
	Deferred Tax Assets	<b>I.3</b>	11,21,932	11,95,280	12,12,069
	Long Term Loans & Advances	<b>I.8</b>	20,000.00	20,000	-
	Other Non Current Assets		-	-	-
<b>2</b>	<b>Current Assets</b>				
	Investments		-	-	-
	Inventories	<b>I.9</b>	95,50,060	1,13,14,448	1,10,01,292
	Trade Receivables	<b>I.10</b>	2,98,438	2,80,200	7,09,422
	Cash and Bank Balances	<b>I.11</b>	70,89,814	34,42,386	41,48,913
	Short-Term Loans and Advances	<b>I.12</b>	28,000	28,000	4,57,200
	Other Current Assets	<b>I.13</b>	8,03,237	16,87,965	7,83,412
	<b>Total</b>		<b>2,03,62,194</b>	<b>1,87,05,049</b>	<b>1,91,51,503</b>

**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 IV, II, III.

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

(Amount in Rs.)

Sr. No	Particulars	Note No.	For The Year Ended 31st March		
			2022	2021	2020
<b>A.</b>	<b>Revenue:</b>				
	Revenue from Operations	<b>II.1</b>	13,24,58,562	6,18,50,214	4,42,76,133
	Other income	<b>II.2</b>	57,857	1,65,288	3,08,812
	<b>Total revenue</b>		<b>13,25,16,419</b>	<b>6,20,15,502</b>	<b>4,45,84,945</b>
<b>B.</b>	<b>Expenses:</b>				
	Cost of Material Consumed		-	-	-
	Purchase of Stock in Trade	<b>II.3</b>	12,77,57,148	5,94,54,224	4,72,65,517
	Changes in Inventories of Finished Goods	<b>II.4</b>	17,64,389	(3,13,156)	(48,48,968)
	Employees Benefit Expenses	<b>II.5</b>	10,50,500	14,06,000	12,27,900
	Finance costs		56,086	30,220	14,373
	Depreciation and Amortization	<b>II.6</b>	2,51,350	1,96,799	1,88,516
	Other expenses	<b>II.7</b>	6,45,799	10,88,927	6,99,606
	<b>Total Expenses</b>		<b>13,15,25,271</b>	<b>6,18,63,014</b>	<b>4,45,46,944</b>
	<b>Profit/(Loss) before exceptional items and tax</b>		<b>9,91,148</b>	<b>1,52,488</b>	<b>38,001</b>
	Exceptional Items		-	-	-
	<b>Profit before tax</b>		<b>9,91,148</b>	<b>1,52,488</b>	<b>38,001</b>
	<b>Tax expense :</b>				
	Current tax		2,52,740	57,120	19,874
	Deferred Tax	<b>II.8</b>	(24,772)	(16,543)	5,156
	<b>Profit/(Loss) for the period/ year</b>		<b>7,63,180</b>	<b>1,11,911</b>	<b>12,971</b>
	<b>Earning per equity share in Rs.:</b>				
	(1) Basic		0.32	0.12	0.01
	(2) Diluted		0.32	0.12	0.01
<b>Note:</b> 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 IV, I, III.					

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

(Amount in Rs)

Particulars	For The Year Ended 31 <sup>st</sup> March		
	2022	2021	2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/ (Loss) before tax	<b>9,91,148</b>	<b>1,52,488</b>	<b>38,001</b>
Adjustments for:			
Depreciation	2,51,350	1,96,799	1,88,516
Profit/(Loss) on sale of fixed assets	(50,723)	-	-
Interest Expense	56,086	30,220	14,373
Interest Received	(14,640)	(1,63,688)	(2,75,812)
<b>Operating profit before working capital changes</b>	<b>12,33,221</b>	<b>2,15,819</b>	<b>(34,922)</b>
Movements in working capital :	25,97,926	(9,41,440)	(49,27,908)
(Increase)/ Decrease in Inventories	17,64,389	(3,13,156)	(48,48,968)
(Increase)/Decrease in Trade Receivables	(18,238)	4,29,222	(2,67,222)
(Increase)/Decrease in Current Investments	-	-	-
(Increase)/Decrease in Short Term Loans & Advances	-	4,29,200	(4,07,065)
(Increase)/Decrease in Other Current Assets/ Non Current Assets	8,84,728	(9,04,553)	-
Increase/(Decrease) in Trade Payables	(13,221)	11,563	(128)
Increase/(Decrease) in Other Current Liabilities	(19,732)	(5,93,716)	5,95,475
Increase/(Decrease) in Short Term Provisions	-	-	-
<b>Cash generated from operations</b>	<b>38,31,146</b>	<b>(7,25,621)</b>	<b>(49,62,830)</b>
Income tax paid during the year /period	(57,785)	20,000	38,566
<b>Net cash from operating activities (A)</b>	<b>38,88,931</b>	<b>(7,45,621)</b>	<b>(50,01,396)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	(11,64,017)	(94,374)	(1,92,176)
Sale of Fixed Assets	1,48,000	-	-
Proceeds from Long Term Loans & Advances	-	-	1,36,450
Interest Received	14,640	1,63,688	2,75,812
<b>Net cash from investing activities (B)</b>	<b>(10,01,377)</b>	<b>69,314</b>	<b>2,20,086</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest paid on borrowings	(56,086)	(30,220)	(14,373)
Proceeds/(Repayment) of Borrowings/Long Term Liabilities	4,93,169	-	-
Proceeds of Share Capital	3,22,790	-	-
<b>Net cash from financing activities (C)</b>	<b>7,59,873</b>	<b>(30,220)</b>	<b>(14,373)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>36,47,427</b>	<b>(7,06,527)</b>	<b>(47,95,683)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>34,42,386</b>	<b>41,48,913</b>	<b>89,44,596</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70,89,813</b>	<b>34,42,386</b>	<b>41,48,913</b>
<b>Cash and cash equivalents Comprises of:</b>			
<b>Cash in Hand</b>	<b>11,21,428</b>	<b>12,09,622</b>	<b>13,07,724</b>
<b>Cash at Bank</b>	<b>59,68,386</b>	<b>22,32,764</b>	<b>28,41,189</b>
<b>Note:</b> The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities & profits and losses appearing in Annexure IV, I, II.			

## **ANNEXURE-IV: SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS RESTATED**

### **A. COMPANY INFORMATION**

Amanaya Ventures Limited (The Company) is a public limited company domiciled in India. Formerly The Company was incorporated as Amanaya Financial Services private Lrmitted under the provisions of the Companies Act 1956 as on 27<sup>th</sup> February 2009. The name of The Company has been changed to Amanaya Ventures Private Limited as on 26<sup>th</sup> September 2015 pursuant to the rule 29 of the Companies (Incorporation) Rules, 2014. The Company has been converted into the Public Limited Company under Section 18 of the Companies Act, 2013 and New Corporate Identification Number: U51 101PB2009PLC032640 along with fresh certificate of Incorporation has been issued under the name of Amanaya Ventures Limited by the Ministry of Corporate Affairs, Chandigarh, as on 15<sup>th</sup> October 2015. The company has completed its amalgamation with its associate company i.e. Midland Services Limrtd in the F.Y. 2019-20. The company is engaged in providing Corporate Advisory as well as trading of the commodities and securities.

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Accounting Convention**

The financial statements are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

#### **2. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

#### **3. Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

#### **4. Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

## **5. Depreciation**

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

## **6. Investments**

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

## **7. Inventories**

Inventories are valued at Cost or Net Realizable Value, whichever is lower.

## **8. Revenue Recognition**

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

## **9. Borrowing Cost**

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## **10. Employee Benefits**

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

## **11. Taxes on Income**

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

## 12. Foreign Currency Translation

a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate.

b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

## 13. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

## B. NOTES ON ACCOUNTS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

### 2. Segment Reporting

The Company at present is engaged in the Bullion trading which constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS –17 are not applicable to the Company.

### 3. Post Employment Benefits:

Company has not valued its obligation related to Gratuity as per Accounting Standard 15.

### 4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on March 31, 2022 except as mentioned in Annexure-VIII, for any of the years covered by the statements.

### 5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – X of the enclosed financial statements.

### 6. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported as under.

(Amount in Rs)

Particulars	As at 31st March		
	2022	2021	2020
<b>Deferred Tax Assets</b>			
Related to Fixed Assets	10,66,518	10,41,745	10,25,203

Related to MAT Credit Entitlement	55,414	1,53,535	1,86,867
<b>Total (a)</b>	<b>11,21,932</b>	<b>11,95,280</b>	<b>12,12,069</b>
<b>Deferred Tax Liability</b>			
Related to Fixed Assets	-	-	-
<b>Total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax (asset)/liability{(b)-(a)}</b>	<b>(11,21,932)</b>	<b>(11,95,280)</b>	<b>(12,12,069)</b>

#### ANNEXURE - I.1: Restated Statement of Share Capital

Particulars	As at 31st March		
	2022	2021	2020
<b>Equity Share Capital</b>			
<b>Authorised Share Capital</b>	6,00,00,000	6,00,00,000	6,00,00,000
<b>Total</b>	<b>6,00,00,000</b>	<b>6,00,00,000</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed &amp; Fully Paid Up Share Capital</b>			
Equity Share Capital	2,38,00,000	96,77,210	96,77,210
<b>Total</b>	<b>2,38,00,000</b>	<b>96,77,210</b>	<b>96,77,210</b>

**Notes: I.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 on 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.

#### I.1.2 Reconciliation of No. of Shares Outstanding at the end of the year

Particulars	As at 31st March		
	2022	2021	2020
<b>Equity Shares</b>			
Shares outstanding at the beginning of the year	9,67,721	9,67,721	9,67,721
Shares issued during the year*	14,12,279	-	-
Bonus Shares issued during the year	-	-	-
Share outstanding at the end of the year	<b>23,80,000</b>	<b>9,67,721</b>	<b>9,67,721</b>

\*During the Financial Year 2021-22, the company has issued 32,279 Equity shares of Face Value of Rs. 10 per share at a price of Rs. 10 per share through Right issue. 13,80,000 Equity Shares of Face Value of Rs. 10 Per Share have been issued as Bonus Shares by the way of capitalization of Securities Premium Account during the F.Y. 2021-22.

#### ANNEXURE – I.2 : Restated Statement of Reserves and Surplus

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Share Premium</b>			
Balance as at the beginning of the year	1,39,37,835	1,39,37,835	1,52,000
Add: Received on issue of Equity Shares	-	-	1,22,38,925
Add: Amalgamation Adjustment	-	-	15,46,910
Less: Utilisation on issue of Bonus Shares	(1,38,00,000)	-	-
Balance as at the end of the year	<b>1,37,835</b>	<b>1,39,37,835</b>	<b>1,39,37,835</b>



<b>Balance in Statement of Profit &amp; Loss</b>			
Balance as at the beginning of the year	(50,12,554)	(51,24,465)	2,16,775
Add: Profit for the year	7,63,180	1,11,911	12,971
Less: Amalgamation Adjustment	-	-	(53,54,211)
Less: Adjustment for MAT Credit	(13,944)	-	-
Balance as at the end of the year	<b>(42,63,318)</b>	<b>(50,12,554)</b>	<b>(51,24,465)</b>
<b>Total</b>	<b>(41,25,483)</b>	<b>89,25,281</b>	<b>88,13,370</b>
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 IV, I, II III.			

**ANNEXURE – I.3: Restated Statement of Deferred Tax Assets/(Liabilities) (Net)**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Deferred Tax Assets</b>			
Related to Fixed Assets	10,66,518	10,41,745	10,25,203
Related to MAT Credit Entitlement	55,414	1,53,535	1,86,867
<b>Total (a)</b>	<b>11,21,932</b>	<b>11,95,280</b>	<b>12,12,069</b>
<b>Deferred Tax Liability</b>			
Related to Fixed Assets	-	-	-
<b>Total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax (asset)/liability{(b)-(a)}</b>	<b>(11,21,932)</b>	<b>(11,95,280)</b>	<b>(12,12,069)</b>
<b>Note I.3.1</b> : 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 IV, I, II III.			

**ANNEXURE – I.4 : Restated Statement of Trade Payables**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Trade Payables due to			
- Micro and Small Enterprises	-	-	
<b>- Others</b>			
- Promoter/Promoter Group	-	-	-
- Others	50	13,271	1,708
<b>Total</b>	<b>50</b>	<b>13,271</b>	<b>1,708</b>
<b>Note I.4.1:</b> 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 IV, I, II III.			

**ANNEXURE – I.5 : Restated Statement of Other Current Liabilities**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Expense Payable	15,000	39,325	27,000

Others	-	-	2,11,387
Statutory Dues Payable	24,839	18,610	30,000
Advance received from customers	-	1,636	3,84,900
<b>Total</b>	<b>39,839</b>	<b>59,571</b>	<b>6,53,287</b>
<b>Note I.7.1</b> : 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 IV, I, II III.			

**ANNEXURE – I.6 : Restated Statement of Short Term Provisions**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Provision for Income Tax*	1,54,619	29,716	5,928
Provision for Statutory Audit Fees	-	-	-
Provision for Legal Fees	-	-	-
Provision for Tax Audit Fees	-	-	-
Other Short Term Provisions	-	-	-
<b>Grand Total</b>	<b>1,54,619</b>	<b>29,716</b>	<b>5,928</b>
<b>Note I.6.1</b> : 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 IV, I, II III.			
* Provision for Income Tax is calculated in Statement of Tax Shelter considering the Allowance & Disallowance of Income & Expenditure in the Income Tax Return filed by the company			

**ANNEXURE – I.7 : Restated Statement of Fixed Assets**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Tangible Assets</b>			
<b>Building</b>			
Gross Block at the beginning of the year	1,28,809	1,28,809	1,28,809
Additions during the year	-	-	-
Deletions during the year	-	-	-
Total Gross Block at the End of the year	1,28,809	1,28,809	1,28,809
Less: Accumulated Depreciation	41,338	29,101	16,864
<b>Net Block</b>	<b>87,471</b>	<b>99,708</b>	<b>1,11,945</b>
<b>Furniture</b>			
Gross Block at the beginning of the year	99,096	99,096	99,096
Additions during the year	-	-	-
Deletions during the year	-	-	-
Total Gross Block at the End of the year	99,096	99,096	99,096
Less: Accumulated Depreciation	43,438	34,024	24,610
<b>Net Block</b>	<b>55,658</b>	<b>65,072</b>	<b>74,486</b>
<b>Computer</b>			
Gross Block at the beginning of the year	1,14,618	1,14,618	1,14,618
Additions during the year	75,424	-	-

Deletions during the year	1,14,618	-	-
Total Gross Block at the End of the year	75,424	1,14,618	1,14,618
Less: Accumulated Depreciation	17,079	1,08,923	86,648
<b>Net Block</b>	<b>58,345</b>	<b>5,695</b>	<b>27,970</b>
<b>Motor Vehicle</b>			
Gross Block at the beginning of the year	4,90,000	4,90,000	4,90,000
Additions during the year	9,59,130	-	-
Deletions during the year	4,90,000	-	-
Total Gross Block at the End of the year	9,59,130	4,90,000	4,90,000
Less: Accumulated Depreciation	70,523	2,95,462	2,37,274
<b>Net Block</b>	<b>8,88,607</b>	<b>1,94,538</b>	<b>2,52,726</b>
<b>Office Equipment's</b>			
Gross Block at the beginning of the year	5,57,970	4,63,596	4,63,596
Additions during the year	1,29,463	94,374	-
Deletions during the year	1,20,528	-	-
Total Gross Block at the End of the year	5,66,905	5,57,970	4,63,596
Less: Accumulated Depreciation	2,18,908	2,11,674	1,29,814
<b>Net Block</b>	<b>3,47,997</b>	<b>3,46,296</b>	<b>3,33,782</b>
<b>Total Net Block at the end of the year</b>	<b>14,38,078</b>	<b>7,11,309</b>	<b>8,00,909</b>
<b>Tangible Assets</b>			
<b>Software &amp; Trademark</b>			
Gross Block at the beginning of the year	67,500	67,500	67,500
Additions during the year	-	-	-
Deletions during the year	-	-	-
Total Gross Block at the End of the year	67,500	67,500	67,500
Less: Accumulated Depreciation	54,864	42,039	29,214
<b>Net Block</b>	<b>12,636</b>	<b>25,461</b>	<b>38,286</b>
<b>Note I.7.1</b> : 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 IV, I, II III. * All the Tangible assets has been physically verified and certified by the management			

#### ANNEXURE – I.8 : Restated Statement of Long Term Loans & Advances

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Loans and Advances to others</b>			
<b>Unsecured, considered good</b>			
Security Deposits	20,000.00	20,000.00	0.00
<b>Total</b>	<b>20,000.00</b>	<b>20,000.00</b>	<b>-</b>
<b>Note I.8.1</b> : 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 IV, I, II III.			

**ANNEXURE – I.9 : Restated Statement of Inventory**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
(At cost or net realizable value, whichever is lower)			
Finished Goods	95,50,060	1,13,14,448	1,10,01,292
<b>Total</b>	<b>95,50,060</b>	<b>1,13,14,448</b>	<b>1,10,01,292</b>
<b>Note I.9.1</b> : 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 IV, I, II III.			
* Closing Stock of Stock in Trade is physically verified, reconciled with the stock records & Certified by the management at the end of the reporting period			

**ANNEXURE – I.10 : Restated Statement of Trade Receivables**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>			
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	-	-	-
<b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>			
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	2,98,438	2,80,200	7,09,422
<b>Total</b>	<b>2,98,438</b>	<b>2,80,200</b>	<b>7,09,422</b>
<b>Note I.10.1</b> : 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 IV, I, II III.			

**ANNEXURE – I.11 : Restated Statement of Cash and Bank Balances**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Cash &amp; Cash Equivalent</b>			
Cash in hand (As Certified by the management)	11,21,428	12,09,622	13,07,724
<b>Balances with Banks:</b>			
Current Accounts	58,98,511	21,67,212	27,79,881
Deposit Account with original maturities of less than 3 months	69,875	65,552	61,308
<b>Total</b>	<b>70,89,814</b>	<b>34,42,386</b>	<b>41,48,913</b>
<b>Note I.11.1</b> : 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 IV, I, II III.			

**ANNEXURE – I.12 : Restated Statement of Short Term Loans & Advances****(Amount in Rs.)**

Particulars	As at 31st March		
	2022	2021	2020
Loans & Advances	20,000	20,000	4,49,200
Security Deposit	8,000	8,000	8,000
<b>Total</b>	<b>28,000</b>	<b>28,000</b>	<b>4,57,200</b>

**Note I.12.1** : 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 IV, I, II III.

**ANNEXURE – I.13 : Restated Statement of Other Current assets****(Amount in Rs.)**

Particulars	As at 31st March		
	2022	2021	2020
Prepaid Expenses	7,561	-	-
Balances with statutory/Government Authorities-Deposits	3,13,979	3,39,141	2,33,332
Advances recoverable in cash or kind or for value to be received	4,81,697	13,48,824	5,50,080
<b>Total</b>	<b>8,03,237</b>	<b>16,87,965</b>	<b>7,83,412</b>

**Note I.13.1** : 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 IV, I, II III.

**ANNEXURE – II.1 : Restated Statement of Revenue from Operations****(Amount in Rs.)**

Particulars	As at 31st March		
	2022	2021	2020
Turnover from the sale of Products	13,20,18,623	6,13,39,477	4,42,54,362
Other operating revenues	4,39,938	5,10,737	21,771
<b>Revenue from operations</b>	<b>13,24,58,562</b>	<b>6,18,50,214</b>	<b>4,42,76,133</b>

**Note II.1.1** : 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 IV, I, II III.

**ANNEXURE – II.2 : Restated Statement of Other Income****(Amount in Rs.)**

Particulars	As at 31st March		
	2022	2021	2020
Interest Income	14,640	1,63,688	2,75,812
Profit on Sale of Fixed Assets	1,322	-	-
Miscellaneous income	41,895	1,600	33,000
<b>Total</b>	<b>57,857</b>	<b>1,65,288</b>	<b>3,08,812</b>

**Note II.2.1** : 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 IV, I, II III.

**ANNEXURE – II.3 : RESTATED STATEMENT OF PURCHASES OF STOCK IN TRADE**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Purchase of Stock in Trade	12,77,57,148	5,94,54,224	4,72,65,517
<b>Total</b>	<b>12,77,57,148</b>	<b>5,94,54,224</b>	<b>4,72,65,517</b>

**Note II.3.1** : 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 IV, I, II III.

**ANNEXURE – II.4 : Restated Statement of Changes in Inventories**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Opening Stock</b>			
Stock in Trade	1,13,14,448	1,10,01,292	61,52,324
<b>Total (a)</b>	<b>1,13,14,448</b>	<b>1,10,01,292</b>	<b>61,52,324</b>
<b>Closing Stock</b>			
Stock in Trade	95,50,060	1,13,14,448	1,10,01,292
<b>Total (b)</b>	<b>95,50,060</b>	<b>1,13,14,448</b>	<b>1,10,01,292</b>
<b>Net Change in Inventories</b>	<b>17,64,389</b>	<b>(3,13,156)</b>	<b>(48,48,968)</b>

**Note II.4.1** : 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 IV, I, II III.

**ANNEXURE – II.5 : Restated Statement of Employee Benefit Expense**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Salaries & Wages	2,70,500	5,06,000	6,27,900
Director Remuneration	7,80,000	9,00,000	6,00,000
<b>Total</b>	<b>10,50,500</b>	<b>14,06,000</b>	<b>12,27,900</b>

**Note II.5.1** : 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 IV, I, II III.

**ANNEXURE – II.6 : Restated Statement of Finance Costs**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Interest on Car Loan	24,174	-	-
Bank Charges	31,912	30,220	14,373
<b>Total</b>	<b>56,086</b>	<b>30,220</b>	<b>14,373</b>

**Note II.5.1** : 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 IV, I, II III.

**ANNEXURE – II.6 : Restated Statement of Depreciation & Amortization**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Depreciation on tangible assets	2,38,525	1,83,974	1,75,691
Amortization on intangible assets	12,825	12,825	12,825
<b>Total</b>	<b>2,51,350</b>	<b>1,96,799</b>	<b>1,88,516</b>
<b>Note II.6.1</b> : 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 IV, I, II III.			

**ANNEXURE – II.7 : Restated Statement of Other Expenses**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Audit Fees	15,000	15,000	12,000
Advertisement and Publicity	-	-	22,932
Rates and taxes	37,374	3,38,282	2,84,545
Communication expenses	7,787	6,534	9,300
Legal & Professional Expenses	9,107	13,107	-
Loss on sale of fixed assets	52,045	-	-
Discount and rebate	1,288	-	3,786
Insurance	9,688	17,467	33,600
Bad Debt	90,523	3,90,000	-
Software Expenses	7,500	-	12,000
Repairs & Maintenance	20,720	5,000	39,536
Rent Expenses	1,76,400	1,62,000	1,44,000
Electricity Charges	6,163	2,050	11,370
Freight and Forwarding	72,388	57,284	35,337
Warehouse Storage Expenses	3,222	-	-
Subscriptions	-	10,377	-
Miscellaneous Expenses	74,294	65,326	91,200
Website Expenses	62,300	6,500	-
<b>Total</b>	<b>6,45,799</b>	<b>10,88,927</b>	<b>6,99,606</b>
<b>Note II.7.1</b> : 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 IV, I, II III.			

**ANNEXURE – II.8 : Restated Statement of Deferred Tax (Assets)/Liabilities**

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
<b>Related to Fixed Assets</b>			
Opening Balance of Deferred Tax Asset	10,41,745	10,25,203	10,30,359
WDV as per Companies Act (A)	14,50,714	7,36,770	8,39,195
WDV as per Income Tax Act (B)	15,45,992	8,00,397	8,19,364
Timing Difference (A-B) C	95,278	63,627	(19,831)

Deferred Tax Assets/(Liability) on Timing Difference (D)	24,772	16,543	(5,156)
Closing Balance of Deferred Tax Asset	10,66,518	10,41,745	10,25,203
<b>Related to Minimum Alternate Tax Credit</b>			
Opening Balance of Deferred Tax Assets ( E )	1,53,535	1,86,867	2,00,812
Less: MAT Credit Entitlement Utilized	98,121	33,332	13,945
Resated Closing Balance of Deferred Tax (Asset)/ Liability	55,414	1,53,535	1,86,867
Deferred Tax to be charged to Profit & Loss	24,772	16,543	(5,156)
<b>Note II.8.1</b> : 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 IV, I, II III.			

### I.1.3 Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-Mar-22		31-Mar-21		31-Mar-20	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
Manan Mahajan	12,72,705	53.48%	4,65,471	48.10%	4,65,471	48.10%
Rajni Mahajan	2,29,539	9.64%	51,445	5.32%	51,445	5.32%
<b>Note</b> : 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 IV, I, II III.						

## ANNEXURE – V : MATERIAL ADJUSTMENT TO THE RESTATED 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	(Amount in Rs.)		
	For The Year Ended March 31,		
	2022	2021	2020
<b>(A) Net Profits as per audited financial statements (A)</b>	7,33,449	95,368	30,414
<b>Add/(Less) : Adjustments on account of -</b>			
2) Difference on Account of Change in Deferred Tax	29,731	16,543	(3,497)
2) Difference on Account of Change in Provision for Tax	-	-	-
<b>Total Adjustments (B)</b>	29,731	16,543	(3,497)
<b>Restated Profit/ (Loss) (A+B)</b>	7,63,180	1,11,911	26,917

### 3. Notes on Material Adjustments pertaining to prior years

#### (1) Difference on Account of Change in Deferred Tax

Deferred Tax Assets recognized in 1st accounting year on Timing Difference due to Preliminary expenses has been



reversed in succeeding accounting year which has not been done in audited financials Statements.

**(2) Difference on Account of Change in Provision for Income Tax**

Since the Restated Profit is changed so that Provision for income Tax also got changed.

**Reconciliation of Equity**

Particulars	As at March 31		
	2022	2021	2020
<b>(A) Total Equity as per audited financial statements (A)</b>	1,95,55,069	1,85,89,443	1,84,94,076
<b>Add/(Less) : Adjustments on account of change in profit (B)</b>	<b>29,731</b>	<b>16,543</b>	<b>(3,497)</b>
<b>Add/(Less) : Adjustments of previous years</b>	<b>89,717</b>	<b>(3,497)</b>	<b>-</b>
<b>Total Equity as per Restated Financial Statements (A+B)</b>	<b>1,96,74,517</b>	<b>1,86,02,489</b>	<b>1,84,90,579</b>

**ANNEXURE - VI: RESTATED STATEMENT OF TAX SHELTERS**

(Amount in Rs.)

Sr. No	Particulars	As at 31st March		
		2022	2021	2020
<b>A</b>	<b>Restated Profit before tax</b>	9,91,148	1,52,488	38,001
	Short Term Capital Gain at special rate	-	-	-
	Normal Corporate Tax Rates (%)	26.00%	26.00%	26.00%
	Short Term Capital Gain at special rate			
	MAT Tax Rates (%)	15.60%	15.60%	15.60%
<b>B</b>	<b>Tax thereon (including surcharge and education cess)</b>			
	Tax on normal profits	2,57,698	39,647	9,880
	Short Term Capital Gain at special rate			
	<b>Total</b>	<b>2,57,698</b>	<b>39,647</b>	<b>9,880</b>
	<b>Adjustments:</b>			
<b>C</b>	<b>Permanent Differences</b>			
	Deduction allowed under Income Tax Act	-	-	-
	Exempt Income	-	-	-
	Allowance of Expenses under the Income Tax Act	-	-	-
	Disallowance of Income under the Income Tax Act	-	-	-
	Disallowance of Expenses under the Income Tax Act	-	-	-
	<b>Total Permanent Differences</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D</b>	<b>Timing Differences</b>			
	Difference between tax depreciation and book depreciation	(19,072)	67,204	<b>50,425</b>
	Set off of Brought Forward Losses of Earlier Years	-	-	<b>(11,989)</b>
	<b>Total Timing Differences</b>	<b>(19,072)</b>	<b>67,204</b>	<b>38,436</b>
<b>E</b>	<b>Net Adjustments E= (C+D)</b>	<b>(19,072)</b>	<b>67,204</b>	<b>38,436</b>
<b>F</b>	<b>Tax expense/(saving) thereon</b>	(4,959)	17,473	9,993
<b>G</b>	<b>Total Income/(loss) (A+E)</b>	<b>9,72,076</b>	<b>2,19,692</b>	<b>76,437</b>
	Taxable Income/ (Loss) as per MAT	9,91,148	1,52,488	38,001
<b>I</b>	<b>Income Tax as per normal provision</b>	2,52,740	57,120	19,874
<b>J</b>	<b>Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act</b>	1,54,619	23,788	5,928
	<b>Net Tax Expenses (Higher of I or J)</b>	<b>2,52,740</b>	<b>57,120</b>	<b>19,874</b>
<b>K</b>	Relief u/s 90/91	-	-	-

	<b>Total Current Tax Expenses</b>	<b>2,52,740</b>	<b>57,120</b>	<b>19,874</b>
<b>L</b>	Adjustment for Interest on income tax/ others	-	-	-
	<b>Total Current Tax Expenses</b>	<b>2,52,740</b>	<b>57,120</b>	<b>19,874</b>

**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 IV, I, II III.

#### ANNEXURE - VII : RESTATED STATEMENT OF CAPITALISATION

(Amount in Rs.)

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
A	Long Term Debt*	4,93,169	4,93,169
B	Short Term Debt*	-	-
C	<b>Total Debt</b>	<b>4,93,169</b>	<b>4,93,169</b>
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital*	2,38,00,000	2,81,60,000
	Reserves and Surplus*	(41,25,483)	1,03,14,517
D	<b>Total Equity</b>	<b>1,96,74,517</b>	<b>3,84,74,517</b>
E	<b>Total Capitalization</b>	<b>2,01,67,686</b>	<b>3,89,67,686</b>
	Long Term Debt/ Equity Ratio (A/D)	0.03	0.01
	Total Debt/ Equity Ratio (C/D)	0.03	0.01

**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 March 31, 2022

#### ANNEXURE - VIII: RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Amount in Rs.)

Particulars	As at 31st March		
	2022	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	-	-	-
<b>Total</b>	-	-	-

#### ANNEXURE - IX : RESTATED STATEMENT OF ACCOUNTING RATIOS

(Amount in Rs.)

Particulars	As at 31st March		
	2022	2021	2020
Restated PAT as per P& L Account (Rs. in Lakhs)	7,63,180.30	1,11,911.11	12,971.32
Actual No. of Equity Shares outstanding at the end of the year	23,80,000	9,67,721	9,67,721
Weighted Average Number of Equity Shares at the end of the Year (Note -2)	23,63,861	9,67,721	9,67,721
Net Worth	1,96,74,517	1,86,02,491	1,84,90,580

Current Assets	1,77,69,549	1,67,52,999	1,71,00,239
Current Liabilities	1,94,508	1,02,558	6,60,923
<b>Earnings Per Share</b>			
Eps (Post Right & Bonus Issue)	0.32	0.12	0.01
<b>EBIDTA</b>	12,98,584	3,79,507	2,40,890
<b>Return on Net Worth (%)</b>	3.88%	0.60%	0.07%
<b>Net Asset Value Per Share (Rs)</b>	8.27	19.22	19.11
			25.87
<b>Current Ratio</b>	91.36	163.35	
Nominal Value per Equity share after Share split (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 six months/year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the six months/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 six months/year/ Total Number of Equity Shares outstanding during the six months/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 Right Equity shares issued during the year multiplied by the Right Factor & time weighting factor.

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) - Fictitious Assets

5) The figures disclosed above are based on the Restated Financial Statements of the Company.

**ANNEXURE - X : RESTATED STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED**

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:

Relationship with Related party	Name of related parties
Key Managerial Personnel	Rajni Mahajan
	Manan Mahajan

**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 IV, I, II III.

**B.** Transactions carried out with related parties referred to in (A) above, in ordinary course of business:

(Amount in Rs.)

Nature of Transactions	Name of Related Parties	As at March 31		
		2022	2021	2020
1. Directors Remuneration	Manan Mahajan	4,80,000	4,80,000	3,00,000
	Rajni Mahajan	3,00,000	4,20,000	4,20,000
<b>Total</b>		<b>7,80,000</b>	<b>9,00,000</b>	<b>7,20,000</b>
2. Rent	Manan Mahajan	1,20,000	1,20,000	1,20,000
<b>Total</b>		<b>1,20,000</b>	<b>1,20,000</b>	<b>1,20,000</b>
<b>Note :</b> 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 IV, I, II III.				

**C. Outstanding Balance as at the end of the year**

(Amount in Rs.)			
Name of Related Party	2022	2021	2020
-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note :</b> 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 IV, I, II III.			

## 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 financial statements included in this Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page 24 and “Forward Looking Statements” 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 of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements for the fiscal year ended March 31, 2022, 2021 and 2020 prepared in accordance with the Companies Act, 2013 to the extent applicable and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled “Financial Information” on page no. 142 of this Draft Prospectus. Please note that in terms of Schedule VI of the SEBI (ICDR) Regulations, 2018, the company is required to give the financial information for the preceding 5 financial years from the date of the Draft Prospectus. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.*

*Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.*

### Overview of the Company

Our Company was originally incorporated as Amanaya Financial Services Private Limited on February 27, 2009 under the Companies Act, 1956 vide certificate of incorporation issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. Subsequently the name of the company was changed from “Amanaya Financial Services Private Limited” to “Amanaya Ventures Private Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extraordinary General Meeting held on September 14, 2015 and had obtained fresh certificate of incorporation dated September 16, 2015 issued by the Assistant Registrar of Companies, Chandigarh. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the shareholders at the Extraordinary General Meeting dated October 09, 2015 and the name of our Company was changed to “Amanaya Ventures Limited” to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Chandigarh dated October 15, 2015. The CIN of the Company is U51101PB2009PLC032640.

Our company has completed its amalgamation with its associate company i.e. Midland Services Limited in the F.Y. 2019-20. The amalgamation of the Midland Services Limited into our Company inter-alia resulted in the alignment of businesses of the Midland Services Limited and our Company as both the Companies were in the same line of business thereby resulted in rationalization and standardization of the business processes, economies of scale, reduction in overheads, administrative, managerial and other expenditure, organizational efficiency, and optimal utilization of resources which was beneficial for all members and other stakeholders.

It provides significant impetus to the growth in the form of optimum utilization of various recourses with reduction in overheads, administrative costs, managerial and other expenditure, provide holistic services, appropriate channelization of synergies, direct operational efficiencies and consolidated revenue and profitability.

Our Company was formed with the objective of promoting SPOT buying and selling of Gold across India. We are bullion traders, specializing in bars and coins of various sizes and weights of Gold and Silver and offer wholesale delivery of bullion to domestic users i.e. ornament manufacturers, goldsmiths, jewellers and semi wholesalers as well as individual customs. Our Company is a member of “Indian Bullion and Jewellers Association Ltd” and “Federation of Indian Export Organisations”.

We have changed the way the customers buy or sell the gold and silver. We have developed an app Aurel Bullion which is available at the play store which provides digital platform to buy and sell 24k Gold and Silver bars and coins to retail as well as the wholesale customers at a lowest possible price in an easy, simple and a transparent manner. We have also developed an E-commerce Portal, [www.aurelbullion.com](http://www.aurelbullion.com) specifically for the retail customers in order to enable them to purchase 24k Gold and Silver bars and coins and provide to our B2B and B2C clients the Antique Jadau Jewellery which is being manufactured at Amritsar, Punjab. Our Product Portfolio offers a mainly 24K Gold and Silver Bars and Coins according to customer specifications and in standard sizes and weights.

We also offer the Aurel Gold Purchase Plan for our retail customers in order to enable them to purchase physical gold in the smaller quantities in transparent, convenient and cost effective manner. We have developed our brand name “Aurel Bullion” over the years that provides us with the advantage of the customers relying on the quality of the product. All of our gold jewellery is hallmarked by BIS except gold jewellery weighing less than two grams which is not required to be hallmarked.

We deal in the products which are of international standards in terms of purity. One of our strengths is that we practice fair dealings in our transactions and provide quality products. This has enabled us to get repeat orders from our existing customers and attract new customers; we believe that an intricacy of our quality products enables us to get better margins on the products traded by us and develop long term relations.

We believe that we are one of the reputed names in trading of bullion (Gold & Silver) in Amritsar and Punjab with a strong client base. Our founder and one of the Promoters viz. Mr. Manan have more than 8 (eight) years of experience in field of trading of Bullion market. Further, our Promoter, Mr. Manan has been in Bullion market for more than 8 (eight) years and enjoys goodwill. He has rich experience of over Jewellery business, Commodities, FOREX, finance and administration. He is a known name in giving updates in relation to international economy impacts on the Gold Industry to various journals, magazines and newspapers.

For further information on its business, please refer to “**Business Overview**” beginning on page no. 88 of the Draft Prospectus and for further details pertaining to its financial performance, please see “**Financial Information**” beginning on page no. 142 of the Draft Prospectus.

### **Significant Developments Subsequent to the Last Financial Year**

After the date of last audited accounts i.e. March 31, 2022, the Directors of our Company confirm that, 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. However following material events have occurred after the last audited period:-

- 1) We have passed a Board resolution on June 08, 2022 to authorize the Board of Directors to raise funds by making an initial public offering.
- 2) We have passed a special resolution on July 06, 2022 to authorize the Shareholder to raise funds by making an initial public offering.

### **Key factors affecting our results of operation:**

The business is subjected to various risks and uncertainties, including those discussed in the section titled “**Risk Factor**” beginning on page no. 24 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and demographic conditions;
- Fluctuations in foreign and Indian currency;
- Our ability to compete locally;
- Our ability to compete successfully with our competitors in terms of competitive pricing, quality products, newer products etc;
- Significant developments in India's economic and fiscal policies;
- Our ability to attract and retain distributors, wholesalers;;
- Our ability to meet our capital expenditure requirements;
- Our ability to launch newer products and increase its portfolio in the existing market;
- Our ability to expand its existing retail network;
- Our ability to purchase the raw material and the availability of the same at reasonable prices;
- Our ability to attract and retain its consumers;
- Our ability to obtain the necessary licenses in timely manner.

### Our Significant Accounting Policies:

Our significant accounting policies are described in the Section VII entitled “Financial Statements” on page no. 142 of this Draft Prospectus.

### Our Results of Operation

The following table sets forth select financial data of our Company from restated Profit and Loss Accounts for the period ended March 31, 2022, March 31, 2021 and March 31, 2020.

(Amount In Rs)

Particulars	% of Total Income	For The Year Ended 31st March				
		2022	% of Total Income	2021	% of Total Income	2020
<b>Revenue:</b>						
Revenue from Operations	99.96	13,24,58,562	100	618,50,214	99.31	442,76,133
Other income	0.04	57,857	0.00	1,65,288	0.69	3,08,812
<b>Total revenue</b>		<b>13,25,16,419</b>		<b>620,15,502</b>		<b>445,84,945</b>
<b>Expenses:</b>						
Cost of Material Consumed		-		-		-
Purchase of Stock in Trade	96.41	1277,57,148	95.87	594,54,224	94.33	472,65,517
Changes in Inventories of Finished Goods	1.33	17,64,389	-0.50	(3,13,156)	0.00	(48,48,968)
Employees Benefit Expenses	0.79	10,50,500	2.27	14,06,000	0.00	12,27,900
Finance costs	0.04	56,086	0.05	30,220	100.00	14,373
Depreciation and Amortization	0.19	2,51,350	0.32	1,96,799	-10.26	1,88,516
Other expenses	0.49	6,45,799	1.76	10,88,927	2.60	6,99,606
<b>Total Expenses</b>	-	<b>1315,25,271</b>	99.75	<b>618,63,014</b>	0.03	<b>445,46,944</b>
<b>Profit/(Loss) before exceptional items and tax</b>	0.75	<b>9,91,148</b>	0.25	<b>1,52,488</b>	0.40	<b>38,001</b>
Exceptional Items	0.00	-	0.00	-	1.48	-
<b>Profit before tax</b>	0.75	<b>9,91,148</b>	0.25	<b>1,52,488</b>	94.25	<b>38,001</b>
<b>Tax expense :</b>	0.00		0.00		0.08	
Current tax	0.19	2,52,740	0.09	57,120	0.00	19,874
Deferred Tax	-0.02	(24,772)	-0.03	(16,543)	0.01	5,156
<b>Profit/(Loss) for the period/</b>	<b>0.57</b>	<b>7,63,180</b>	<b>0.18</b>	<b>1,11,911</b>	0.02	<b>12,971</b>

year						
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### **Revenue**

Our total revenue comprises of revenue from operations and other income.

#### **Revenue from Operations**

During the year 2021-22, the total revenue of our Company has increased to Rs. 13,25,16,419 as against 6,20,15,502 in year 2020-21 showing an increase of 114.16%. This is primarily due to increase in demand during Fiscal 2022.

#### **Expenditure**

Our total expenditure primarily consists of Purchase of Stock in Trade, Changes in Inventories of Finished Goods, Employee Benefit Expenses, Finance cost, Depreciation and other Expenses.

#### **Change in Purchase of Stock in Trade**

During the year 2021-22, Change in Purchase of Stock in Trade of our Company has increased to Rs. 1277,57,148 as against Rs. 594,54,224 showing an increase of 114.88% over the previous year. This increase was due to increase of sales.

#### **Other Expenses**

Other expenses for the year 2021-22 decreased to Rs. 6,45,799 from Rs. 10,88,927, showing decrease of 40.69%.

#### **Profit/ (Loss) After Tax**

The PAT for Financial Year 2021-22 has increased to Rs. 7,63,180 from Rs. 1,11,911 in Financial Year 2020-21, an increase of around 908.84% over the previous year.

### **COMPARISON OF THE FINANCIAL PERFORMANCE HAS BEEN DONE FOR THE FISCAL 2021 WITH COMBINED FINANCIALS FOR FISCAL 2020**

#### **Income**

Our total income comprises of revenue from operations and other income.

#### **Revenue from Operations**

During the year 2020-21, the total revenue of our firm has increased to Rs. 6,20,15,502 as against Rs. 4,45,84,945 in year 2019-20 showing a decrease of 63.21%. This is primarily due to Covid-19 impact during Fiscal 2021.

#### **Expenditure**

Our total expenditure primarily consists of Purchase of goods, Employee Benefit Expenses, Finance cost, Depreciation and other Expenses.

#### **Change in consumption**

During the year 2020-21, cost of consumption of stock of our firm has increased to Rs. 5,94,54,224 as against Rs. 4,72,65,517 in year 2019-20 showing a decrease of 15.28%. This decrease was due to reduction of sales.

#### **Other Expenses**

Other expenses for the year 2020-21 increased to Rs. 10,88,927 from Rs. 6,99,606 in fiscal year 2019-20, showing decrease of 56.32%.

#### **Profit/ (Loss) After Tax**

The PAT for Financial Year 2020-21 has increased to Rs. 1,11,911 from Rs. 12,971 in Financial Year 2019-20, a decrease of around 88.16% over the previous year.



## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2021 WITH FISCAL 2020

### ***Revenue from Operations***

During the year 2021-20, the total revenue of our company has increased to Rs. 618,50,214 as against Rs. 442,76,133 over the previous year showing an increase of 40.00%.

### ***Expenditure***

Our total expenditure primarily consists of Purchase of goods, Employee Benefit Expenses, Finance cost, Depreciation and other Expenses.

### ***Change in Purchase of Stock in Trade***

During the year 2020-21, cost of Purchase of Stock in Trade of our company has increased to Rs. 594,54,224 as against Rs. 472,65,517 over the previous year showing an increase of 26.00%.

### ***Other Expenses***

Other expenses for the year 2020-21 increased to Rs. 10,88,927 from Rs. 6,99,606 over the previous year showing increase of 56.00%.

### ***Profit/ (Loss) After Tax***

The PAT for Financial Year 2020-21 has increased to Rs. 83,735 from profit of Rs. 26,917 over the previous, increasing of around 211% over the previous year.

### **Information required as per Item (II) (C) (i) of Part A of Schedule VI to the SEBI Regulations:**

#### **1. Unusual or infrequent events or transactions.**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations.**

Other than as described in the section titled "Risk Factors" beginning on page no. 24 of this Draft Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **3. Income and Sales on account of major product/main activities.**

Income and sales of our Company on account of major products/ main activities derives from wholesale trading activities.

#### **4. Whether the company has followed any unorthodox procedure for recording sales and revenues.**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

#### **5. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.**

Other than as described in the section titled "Risk Factors" beginning on page no. 24 of this Draft Prospectus, in our opinion there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **6. 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's future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by material suppliers and service vendors

**7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business.

**8. Total turnover of each major industry segment in which the issuer company operated.**

We are engaged in bullion trading business and offer Gold and Silver bars and coins with 24K purity to our customers both through online platform i.e. Our App Aurel Bullion as well as through offline mode also. We also provide to our B2B and B2C clients the Antique Jadau Jewellery. Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page 79 of this Draft Prospectus.

**9. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and segment publicly.

**10. The extent to which business is seasonal.**

Our Company's primary business is seasonal to some extent. Our business is experience significant increase in our sales during the festive, wedding season and other significant seasons like Christmas, Diwali season, GudiPadwa, Dhanteras etc. However, the business of the company does depend on Growth potential in the region and country's economy.

**11. Any significant dependence on a single or few suppliers.**

The % of Contribution of our Supplier vis-a-vis the total traded goods cost as on March 31, 2022 is as follows:-

Particulars	Suppliers
Top 3 %	78.49
Top 10 %	91.77

**12. Competitive conditions.**

Competitive conditions are as described under the Chapters titled "*Industry Overview*" and "*Business Overview*" beginning on pages 79 and 88, respectively of the Draft Prospectus.

## STATEMENT OF FINANCIAL INDEBTEDNESS

The Company has not borrowed from any banks/ financial institutions for conducting its business. However, in the future the company may avail loans in the ordinary course of business for the purposes including, but not limited to meeting its working capital requirements and financing its capital expenditure.

Following is a summary of the Company's outstanding borrowings as on March 31, 2022:

Sr. No.	Category of Borrowings	Outstanding Amount (Rs)
1.	Secured Borrowings	4,93,169
2.	Unsecured Borrowings	-
	<b>Total</b>	<b>4,93,169</b>

### Details of Secured Loans:

Name of Lender	Purpose	Loan/ Agreement A/c No. / Ref. No	Sanctioned Amount (Rs.)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding as on March 31, 2022
ICICI Bank LTD	Vehicle Loan	LAAMT000441893 62	6,00,000	7.80	Loan is secured by hypothecation of car purchased through loan	36 monthly installments starting from September 2021 EMI of Rs 18,715/- ends in August 2024	4,93,169

### Details of unsecured Loans:

Except for unsecured borrowings from Promoters, Members of Promoter Group and Directors, the Company does not have any other unsecured borrowings. For details on the same, please refer "*Annexure - X: Statement of details of Related Party Transactions*" appearing on page 140 of this Draft Prospectus

## SECTION X- LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of Rs.10,00,000/- (Rupees Ten lakhs only) or 5% of the net profits after tax of the Company for the most recent audited fiscal period whichever is lower; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company;*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

*Unless otherwise stated, all proceedings are pending as of the date of this Draft Prospectus. All information provided below is as of the date of this Draft Prospectus.*

- a) Criminal Cases Filed Against The Promoter- Nil*
- b) Criminal Cases Filed By The Promoters- Nil*
- c) Civil Cases Filed Against Our Promoters- Nil*

- d) Civil Cases Filed By The Promoters-Nil
- e) Civil Cases Filed Against Our Company-Nil
- f) Civil Cases Filed By Our Company-  
Amanaya Ventures Limited V/s. M/s Ketan Fresh Foods

<b>Court/Authority</b>	Civil Judge (Jr.Divn.), Amritsar
<b>Case No.</b>	CS/3500/2019
<b>Case Details</b>	A legal notice was issued dated October 10, 2019 for recovery of money to the defendants wherein the plaintiff who alleged that it has made an advance payment against the purchase of goods to the defendants worth Rs.6,53,800 and requested several time to the defendants to supply the goods or to return the money. But the defendants failed to refund the above stated payment in full and remitted only Rs.3,73,600. In spite of the legal notice the defendants have failed to make the balance payment. Subsequently the plaintiff has filed the instant civil suit praying therein that the suit for recovery of Rs.2,82,200 alongwith the interest aggregating to Rs.84,660, may be decreed in favour of the plaintiff.
<b>Status</b>	The matter is pending in the small causes court, Civil Judge (Jr. Divn.), Amritsar

- g) Civil Cases Filed Against The Group Companies-Nil
- h) Civil Cases Filed By Group Companies-Nil
- i) SEBI Proceedings Pending With Regards To Our Company & Promoters-Nil
- j) Tax Related Matters-

(a) The Company and the Directors have received an Income Tax Scrutiny Notice vide DIN: ITBA/AST/S/143(2)/2021-22/1033771051(1) Dated 29/06/21 and the proceedings of which is still in progress.

(b) The Midland Services Limited, transferor company, has also received a scrutiny notice vide DIN: ITBA/AST/S/143 (2) /2021-22/ 1033787932 (1) dated 29/06/2021 and the proceedings of which is still in progress.

#### **LEGAL NOTICES RECEIVED BY OUR COMPANY, OUR PROMOTER AND OUR DIRECTORS: NIL**

#### **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus.

#### **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

#### **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

#### **PAST CASES WHERE PENALTIES WERE IMPOSED**

Other than as mentioned above, there are no past cases where penalties were imposed on our Company by concerned authorities/courts.

#### **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

#### **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of the Draft Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter during the last five years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

#### **OUTSTANDING DUES TO CREDITORS**

As per the Materiality Policy, our Board has approved that each creditor, to whom our Company individually owes a net aggregate amount that exceeds 5.00% of the trade payables as per the Restated Financial Statements for the most recent financial year, shall be considered as a material creditor of our Company. Our Board has also approved that dues owed by our Company to small scale undertakings as per the Restated Financial Statements for the most recent financial year shall be disclosed in a consolidated manner.

As of March 31, 2022, our Company, in its ordinary course of business, has an aggregate amount of Rs. 50, which is due towards sundry and other creditors. As per the above policy, consolidated information of outstanding dues, as of March 31, 2022 owed to small scale undertakings, material dues to creditors and other dues to creditors separately, giving details of number of cases and aggregate amount for such dues is as under:

<b>Particulars</b>	<b>Amount Outstanding (Rs.)</b>
Dues to small scale undertakings	-
Material dues to creditors	-
Other dues to creditors	50
<b>Total</b>	<b>50</b>

Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished. Our Company does not owe any small scale industries or any MSMEs any amounts exceeding Rs. 1.00 lakh which is outstanding for more than 30 days. There are no disputes with such entities in relation to payments to be made to them.

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company

at [www.amanaya.in](http://www.amanaya.in). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS, DIRECTORS, GROUP COMPANIES AND PRMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There have been no material developments that have occurred after the last Balance Sheet Date duly signed by the Board of Directors.

**MATERIAL DEVELOPMENTS**

Except as stated in "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page no. 165, there have not arisen, since the date of the last financial statements disclosed in the Draft Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

In accordance with SEBI requirements, our Company and the Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the SME platform of BSE.

## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business activities (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental or regulatory authority, or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India and other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.*

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled 'Key Industry Regulations and Policies' on page no. 102 of this Draft Prospectus.*

### **A) APPROVALS FOR THE ISSUE**

1. Our Board has pursuant to a resolution passed at its meeting dated on June 08, 2022, under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue of Equity Shares, subject to the approval of the shareholders and such other authorities as may be necessary.
2. Our Shareholders have pursuant to a special resolution passed at their meeting dated July 06, 2022 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013, authorized the Fresh Issue of Equity Shares.
3. Our Company has obtained an approval from the SME platform of BSE Limited for listing our Equity Shares through their Letter dated [●] bearing reference number [●].
4. Agreement dated January 04, 2021 between CDSL, the Company and the Registrar to the Issue;
5. Agreement dated December 23, 2020 between NSDL, the Company and the Registrar to the Issue;
6. The Company's International Securities Identification Number ("ISIN") is INEOG1V01016.

### **B) APPROVALS IN RELATION TO THE COMPANY**

7. Certificate of Incorporation dated February 27, 2009 under the name of "Amanaya Financial Services Private Limited" was issued by the Deputy Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh.
8. Fresh Certificate of Incorporation dated September 16, 2015 under the name of "Amanaya Ventures Private Limited." was issued by the Assistant Registrar of Companies, Chandigarh, upon name change of the company from "Amanaya Financial Services Private Limited" to "Amanaya Ventures Private Limited".
9. Fresh Certificate of Incorporation dated October 15, 2015 under the name of "Amanaya Ventures Limited." was issued by the Assistant Registrar of Companies, Chandigarh, upon conversion of the company from "Amanaya Ventures Private Limited" to "Amanaya Ventures Limited".
10. The Corporate Identity Number (CIN) of the Company is U51101PB2009PLC032640.

### **C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY**


We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:



Issuing Authority	Registration / License No.	Nature of Registration / License	Date of Registration	Valid Up to
Registration in Income Tax Department	AAHCA6047P	Allotment of Permanent Account Number (PAN) under the name of <b>Amanaya Ventures Limited</b>	November 07, 2017	valid till cancelled
Government of India	03AAHCA6047P1ZF	Allotment of Goods Service Tax Identification Number ( <b>GSTIN</b> )	February 24, 2021	valid till cancelled
Government of India	24AAHCA6047P1ZB	Allotment of Goods Service Tax Identification Number ( <b>GSTIN</b> )	November 06, 2021	valid till cancelled
Commissioner of Income Tax, Mumbai	AMRA13997E	Allotment of Tax Deduction Account No. ( <b>TAN</b> )	December 04, 2015	valid till cancelled
Ministry of MSME, Govt. of India	UDYAM-PB-01-0010821	Udyam Registration Number	July 13, 2021	valid till cancelled
Ministry of Commerce and Industry, Directorate General of Foreign Trade, Govt. of India	AAHCA6047P	Importer-Exporter Code	March 18, 2020	valid till cancelled
Punjab State Agricultural Marketing Board	ASR/ASR/36	Certificate of License	April 03, 2017	March 31, 2027

#### D) INTELLECTUAL PROPERTY RIGHTS

As on the date of this Draft Prospectus, the company does not hold any other kind of Intellectual Property Rights except as mentioned below:

Trade Mark Name	Class	Trademark Type	Owner of Trademark	Application No.	Date of approval	Current Status	Valid upto/ Renewed upto
	14	Device	Amanaya Ventures Limited	3334396	May 08, 2017	Registered	August 11, 2026

Our company has confirmed that no other applications have been made by our Company nor has it registered any other type of intellectual property including trademarks/copyrights/patents etc.

#### E) Other Confirmations:

As on date of this Draft Prospectus, our Company confirms that the following is not applicable:

- Approvals applied for but not yet received / Renewals made in the usual course of business
- Material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required.

## SECTION XI- OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. The Fresh Issue of Equity Shares has been authorized by a resolution by the Board of Directors passed at their meeting held on June 08, 2022 under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the shareholders and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares has been authorized by a resolution by the AGM passed at their meeting held on July 06, 2022 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled '**Government and Other Approvals**' beginning on page no. 176 of this Draft Prospectus.

Our Company has received approval from BSE *vide* their letter dated [●] to use the name of BSE in this Draft Prospectus for listing of the Equity Shares on SME Platform of BSE which is the Designated Stock Exchange.

### Prohibition by SEBI, RBI or Governmental Authorities

We confirm that our Company, Directors, Promoters, members of the Promoter Group and Group Companies or the directors and promoters of our Promoter Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

We also confirm that our Promoters, Directors or Group Companies or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, none of our directors are or were associated with any entities which are engaged in securities market related business and are or registered with SEBI for the same.

We, further confirm that none of our Company, its Promoters, relatives of Promoters (as defined under Companies Act, 2013) its Directors and its Group Companies have been identified as willful defaulters or fraudulent borrowers by the RBI or other authorities.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("**SBO Rules**"), to the extent applicable, as on the date of the Draft Prospectus.

### Association with Securities Market

We confirm that none of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors except as stated under the chapters titled "**Risk factors**", "**Our Promoter and Promoter Group**", "**Our Group Companies/Entities**" and "**Outstanding Litigations and Material Developments**" beginning on page nos. 24, 132, 139 and 172 respectively, of this Draft Prospectus.

### Eligibility for the Issue

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with **Regulation 229(1)** and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is less than Ten Crores Rupees and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("**SME Exchange**", in this case being the SME Platform of BSE) known as BSE SME.

We confirm that we comply with Regulation 229 (3) of the SEBI ICDR Regulations and all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE:

- 1) There is no change in the promoter/s of the Company in the preceding one year from date of filing application with SME Platform of BSE.
- 2) The Networth of our Company as per the latest Audited Financial Statements as on March 31, 2022 is Rs. 196.74 Lakhs.
- 3) Our Company has a track record of three years of existence as on the date of filing of this Draft Prospectus / the Prospectus.
- 4) The Company confirms that it has positive cash accruals (earnings before depreciation and tax) for atleast 1 financial year out of the last three financial years and its net-worth as on March 31, 2022 is positive.

**(Rs. in Lakhs)**

Cash Accruals	As on March 31,		
	2022	2021	2020
Profit Before Tax	9.91	1.52	0.13
Add: Depreciation	2.51	1.97	1.89
Less: Other Income	0.58	1.65	3.09
<b>Positive Cash Accruals (Earnings Before Depreciation and Tax)</b>	<b>11.84</b>	<b>1.84</b>	<b>(0.81)</b>

- 5) Our net tangible assets as on March 31, 2022 is Rs. 1.90 Crores.
- 6) As on the date of this Draft Prospectus, our Company has a paid-up capital of Rs. 238.00 Lakhs and the Post Issue Paid-up Equity Share Capital will be Rs. 373.90 Lakhs which is less than Rs. 2500.00 Lakhs.
- 7) Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.
- 8) Our Company has a live and operational website: [www.amanaya.in](http://www.amanaya.in)
- 9) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 10) There is no winding up petition against our Company, which has been admitted by the court. Also, no liquidator has been appointed.
- 11) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company or Promoters or our Directors or members forming a part of the Promoter Group or Our Companies/ Entities except as mentioned in the chapter titled "**Outstanding Litigation and Material Developments**" beginning on page 172 of this Draft Prospectus.

We further confirm that:

- a) Our Company is not ineligible to make the Issue in terms of **Regulation 228** of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- 1) Neither our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have been prohibited/debarred from accessing or operating in the capital markets under any order or direction passed by SEBI;
  - 2) None of our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have not been declared as **‘Wilful Defaulter’ and ‘Fraudulent Borrowers’** as on the date of filing this Draft Prospectus.
  - 3) None of our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have not been declared as **‘Fugitive Economic Offender’** as on the date of filing this Draft Prospectus.
- b) Our Company is in compliance with the following conditions specified in **Regulation 230** of the SEBI Regulations, 2018 to the extent applicable.
- 1) The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME Platform of BSE. BSE is the Designated Stock Exchange;
  - 2) Our Company has entered into an agreement with NSDL and CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
  - 3) The Equity Shares of our Company are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Prospectus;
  - 4) The entire Equity Shares held by our Promoters will be in dematerialized form before opening of the Issue for subscription.
  - 5) The requirement of firm arrangements of finance through verifiable means towards seventy-five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offeror through existing identifiable internal accruals is not applicable to our Company. For details, please refer the chapter“Objects of the Issue” on page no. 69 of this Draft Prospectus;
  - 6) The amount dedicated for general corporate purposes, as mentioned in **“Objects of the Issue”** on page no. 69 of this Draft Prospectus, does not exceeding twenty-five per cent (25%) of the amount being raised by the Issuer.

**We confirm that in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

- a) In accordance with **Regulation 246** the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- b) In accordance with **Regulation 260(1) and 260(2)** of the SEBI (ICDR) Regulations, the issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten **100.00 %** of the Total Issue Size. For further details pertaining to said underwriting please refer to paragraph titled **‘Underwriting Agreement’** under chapter titled **‘General Information’** on page no. 46 of this Draft Prospectus.
- c) In accordance with **Regulation 261** of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of (3) three

years from the date of listing of equity shares offered in the Issue. For further details of the arrangement of market making please refer to paragraph titled '*Details of the Market Making Arrangement for the Issue*' under chapter titled '*General Information*' on page no. 48 of this Draft Prospectus.

- d) In accordance with **Regulation 268(1)** of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the Issue is not less than fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 8 (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 8 (Eight) days, be liable to repay such application money, with interest as prescribed under the Companies Act, 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

We further confirm that, we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS/PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE 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 PROSPECTUS / PROSPECTUS 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 PROSPECTUS / PROSPECTUS, THE LEAD MANAGER 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 HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 05, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE DUE DILIGENCE CERTIFICATE FURNISHED WITH SEBI BY THE LEAD MANAGER IS REPRODUCED BELOW:**

**"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC., AND OTHER MATERIAL WHILE FINALISING THE PROSPECTUS OF THE SUBJECT ISSUE;**
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION,**

**CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

- a) **THE DRAFT PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**
- b) **ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE, AS SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- c) **THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELLINFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3) **BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE ALSO REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4) **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE.**
- 5) **WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**
- 6) **ALL APPLICABLE PROVISIONS OF THESE REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
- 7) **ALL APPLICABLE PROVISIONS OF THESE REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTERS’ CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS’ CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS’ CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD.**

**WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS’ CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE- NOT APPLICABLE AS THE PROMOTERS CONTRIBUTION HAS ALREADY BEEN DEPLOYED.**

- 8) **NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK**

ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION- NOTED FOR COMPLIANCE- AS PER TRI-PARTITE AGREEMENT WITH BANKERS TO THE ISSUE.

- 9) THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION.
- 10) IN CASE OF A RIGHTS ISSUE DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT INVESTORS SHALL BE GIVEN AN OPTION TO RECEIVE THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE.
- 11) FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT OFFER DOCUMENT/ DRAFT LETTER OF OFFER:
  - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER – NOTED
  - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD - NOTED
- 12) WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 – NOTED FOR COMPLIANCE
- 13) IF APPLICABLE, THE ENTITY IS ELIGIBLE TO LIST ON THE INSTITUTIONAL TRADING PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THESE REGULATIONS - NOT APPLICABLE.
- 14) WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE OFFER DOCUMENT HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS – NOTED FOR COMPLIANCE.
- 15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THESE REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY – NOTED FOR COMPLIANCE.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- 1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

- 2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THIS DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THE ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. - NOTED FOR COMPLIANCE
- 3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. - NOTED FOR COMPLIANCE
- 4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. - NOTED FOR COMPLIANCE
- 5) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, HAVE BEEN MADE.
- 6) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PERCENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE OFFER DOCUMENT WITH REGISTRAR OF COMPANIES. - NOTED FOR COMPLIANCE

**NOTE:**

The filing of the Prospectus does not, however, absolve the issuer from any liabilities under the companies act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. sebi further reserves the right to take up at any point of time, with the lead merchant banker, any irregularities or lapses in this Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chandigadh in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

As required, a copy of this Draft Prospectus shall be submitted to BSE.

**BSE Limited (“BSE”) has given *vide* its letter dated [●] permission to our Company to use its name in this Offer Document as one of the Stock Exchanges on which this company’s securities are proposed to be listed on the SME PLATFORM OF BSE.** BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- Warrant that this company’s securities will be listed or will continue to be listed on BSE; or
- Take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;
- warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every



person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever;

- BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof;
- The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU / Issue Agreement entered into between the Lead Manager and our Company dated August 13, 2022 and the Underwriting Agreement dated [●] entered into between the Underwriter and our Company and the Market Making Agreement dated [●] entered into among the Lead Manager, the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the Applicants and public at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for our Company, our Group Entities and our respective affiliates and associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or our Group Entities or their respective affiliates or associates for which they have received, and may in future receive compensation.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

The 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 authorized 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 applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company, this Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India 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, except that this Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly

or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S 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.

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 where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **TRACK RECORDS OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL LIMITED**

For details regarding the track record of the First Overseas Capital Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of First Overseas Capital Limited at [www.focl.in](http://www.focl.in)

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

##### **Annexure A**

##### **Disclosure of Price Information of Past Issues Handled By Merchant Banker(s)**

**TABLE1**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	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)	Novateor Research Laboratories Ltd	4.49	24.00	13-09-2019	24.00	+0.74(0.02)	+17.08(-0.29)	-57.17(12.20)
2)	Janus Corporation Ltd	7.99	50.00	06-02-2020	50.70	+6.51(-8.51)	+6.51(-18.15)	+32.05(-18.32)
3)	RO Jewels Limited	4.91	36.00	25-03-2020	36	-4.96(-2.93)	0(+2.74)	-8.93(3.71)
4)	Party Cruisers Limited	7.75	51.00	05-03-2021	54	-0.67(-0.01)	-0.65(+0.04)	+0.72(+0.13)
5)	BEW Engineering Limited	3.97	58.00	16-09-2021	127.60	+3.18(+0.03)	+7.19(-0.02)	-4.20 (-0.6)
6)	Nidan Healthcare & Laboratories Limited	50.00	125.00	12-11-2021	106.35	-0.51(-0.03)	-0.60(-0.02)	-0.68(-0.10)
7)	Precision Metaliks Limited	21.93	51.00	01-02-2022	75.00	-0.37(-0.06)	-0.45 (-0.03)	-0.61(-0.02)
8)	Vaidya Sane Ayurved Laboratories Limited	20.22	73.00	23-02-2022	102.00	+0.78(+0.01)	+0.66 (-0.06)	+0.31(+0.03)
9)	Nanavati Ventures Limited	2.19	50.00	06-05-2022	50.00	-0.21(0.02)	-0.34(+0.02)	N.A.

**Note:-**

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. Of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			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%

Financial Year	Total no. Of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			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%
2022-23 *	1	2.19	-	-	1	-	-	-	-	-	-	-	-	-
2021-22	4	96.13	-	1	1	2	-	-	1	1	-	2	-	-
2020-21	1	7.75	1	0	0	0	0	0	1	0	0	0	0	0
2019-20	3	17.39	0	0	1	0	0	2	1	0	1	0	0	1

\* Upto date of this Draft Prospectus

## FILING

This Draft Prospectus is being filed with BSE Limited, Exchange Plaza, 25<sup>th</sup>Floor, P J Towers, Dalal Street, Mumbai, Maharashtra -400001, India.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the Prospectus shall be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus, required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Punjab and Chandigarh, 1<sup>st</sup> Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, Chandigarh-160019.

## LISTING

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

## 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, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **CONSENTS**

We have obtained consents in writing of our Directors, Promoter, Company Secretary & Compliance Officer, the Lead Manager, Registrar to the Issue, Peer Review Auditor to the Company, the Statutory Auditor, the Legal Advisor to the Issue, and Banker(s) to the Company, Market Maker(s)\*, Underwriter(s)\*, and the Banker(s) to the Issue/ Escrow Collection Bank(s)\* to act in their respective capacities. These consents will be filed along with a copy of the Prospectus with the RoC as required Section 26 of the Companies Act, 2013. Further, such consents and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, Bharat Gupta & Co., Chartered Accountants, our Peer Review Auditors and Monoj Mahajan & Associates, our Statutory Auditor have agreed to provide their respective written consents for inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consents and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## **EXPERT OPINION TO THE ISSUE**

Except for the reports in the section titled “Financial Statements and “Statement of Tax Benefits” on page no. 142 and 76 respectively of this Draft Prospectus from the Statutory Auditor our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

## **ISSUE RELATED EXPENSES**

The expenses of the Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. For details of total expenses of the Issue, see the chapter “**Objects of the Issue**” beginning on page no. 69 of the Draft Prospectus.

## **DETAILS OF FEES PAYABLE**

### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

### **Fees Payable to the Market Maker(s)**

The fees payable to the Market Maker(s) to the Issue will be as per the Agreement dated [●] between our Company, Lead Manager and Market Maker, a copy of which is available for inspection at our Registered Office.

#### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement dated August 01, 2022 executed between our Company and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp-duty and communication expenses. Adequate funds will be provided by our Company to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

#### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor, and Advertiser, *etc.* will be as per the terms of their respective engagement letters, if any.

#### **Underwriting Commission, Brokerage and Selling Commission**

The underwriting and selling commission for the Issue is as set out in the Underwriting Agreement dated [●] between our Company, the Lead Manager/Underwriter and Market Maker, a copy of which is available for inspection at our Registered Office. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable laws.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS**

We have not made any previous rights and/or public issues during the last five years and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled '*Capital Structure*' beginning on page 56 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND/ OR BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since inception.

#### **PREVIOUS CAPITAL ISSUE DURING THE LAST THREE YEARS BY LISTED GROUP COMPANIES AND SUBSIDIARY OF OUR COMPANY**

None of the Group Companies of our Company are listed. Further, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Companies has made public issue of equity shares during the period of ten years immediately preceding the date of filing this Draft Prospectus with the BSE.

#### **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds, or redeemable preference shares.

#### **PARTLY PAID-UP SHARES**

As on the date of this Draft Prospectus, there are no partly paid-up Equity Shares of our Company.

#### **OUTSTANDING CONVERTIBLE INSTRUMENTS**

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

#### **OPTION TO SUBSCRIBE**

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

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

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in). Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

The Board has constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the “Our Management” on page no. 118.

As on the date of this Draft Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Prospectus.

Our Company has appointed CS Gurpreet Kaur as the Company Secretary and Compliance Officer and he may be contacted at the following address:

<b>Name</b>	: Mrs. Gurpreet Kaur
<b>Address</b>	:69-70, First Floor, Deep Complex, Court Road, Amritsar -143001, Punjab, India
<b>Tel No.</b>	:+91 7814057878
<b>Email Id</b>	: <a href="mailto:cs@amanaya.in">cs@amanaya.in</a>
<b>Website</b>	: <a href="http://www.amanaya.in">www.amanaya.in</a>

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

As on the date of this Draft Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Prospectus.

Our Company, Lead Manager and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

We do not have any Group Companies or Subsidiaries, hence listing of them on any stock exchange is not applicable.

#### **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, for the redressal of routine investor grievances 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.

#### **CAPITALIZATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled ‘*Capital Structure*’ beginning on page no. 56 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



## SECTION XII - ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on June 08, 2022 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting held with a shorter notice on July 06, 2022 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled '**Main Provisions of the Articles of Association**' beginning on page no. 232 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection to recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company.

We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to the chapter titled **“Dividend Policy”** on page no. 141 of this Draft Prospectus.

### **Face Value and Issue Price per Share**

The face value of the Equity Shares is Rs. 10/- each and the Issue Price is Rs. 31.00 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled **‘Basis for Issue Price’** beginning on page no. 74 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 as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory 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, the terms of the listing regulations with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled **‘Main Provisions of the Articles of Association’** beginning on page no. 232 of this Draft Prospectus.

### **Minimum Application Value, Market Lot and Trading Lot**

As per Section 29 of the Companies Act, 2013, all the shares shall be issued in dematerialized form in compliance with the provisions of the Depositories Act, 1996 and the regulations made there under, thus, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI ICDR Regulations, 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 4,000 equity shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and Allotment of Equity Shares through the Issue will be done in multiples of 4,000 equity share subject to a minimum Allotment of 4,000 equity shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and Allotment of Equity Shares through the Issue will be done in multiples of 4,000 equity shares subject to a minimum Allotment of 4,000 equity shares to the successful applicants.

### **Minimum Number of Allottee's**

The minimum number of Allottee's in the Issue shall be 50 (Fifty) shareholders. In case the minimum number of prospective Allottee's is less than 50 (Fifty), no Allotment will be made pursuant to the Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, Maharashtra, India.

**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.**

**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 number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

### **Allotment only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated December 12, 2020 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated January 04, 2021 amongst CDSL, our Company and the Registrar to the Issue.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act 2013, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of death of the sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. No provision in the bid-cum-application form to provide this. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agents of our Company.

Any person, who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act 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 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 may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

**Issue Program:**

<b>Issue Opening Date</b>	[●]
<b>Issue Closing Date</b>	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	[●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds*</b>	[●]
<b>Credit of Equity Shares to demat accounts of Allottee's</b>	[●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	[●]

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate Rs. 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of Rs.100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable*

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

**Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level. This Issue is 100 % underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document 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 four days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue shall be 100 % underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information – Underwriting” on no. 48 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Migration to Main Board**

In accordance with the BSE Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE Limited for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of BSE Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of BSE Limited from the SME Platform on a later date subject to the following:

- a) If the Paid up Capital of the company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than Rs. 10 Crores but below Rs. 25 Crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to paragraph titled ‘Details of the Market Making Arrangement for the Issue’ under chapter titled ‘**General Information**’ beginning on page no. 48 of this Draft Prospectus.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 4,000 shares. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

## **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through the Issue.

### **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.

### **Application by Eligible 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.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-issue Equity Shares and Promoters' minimum contribution in the issue as detailed in the chapter '*Capital Structure*' beginning on page 56 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 section titled '*Main Provisions of the Articles of Association*' beginning on page no. 232 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead 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.*

## ISSUE STRUCTURE

The Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, and amendments thereto, since our post-issue paid up capital which is less than Rs. 10.00 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of the Issue please refer chapters titled ‘*Terms of the Issue*’ and ‘*Issue Procedure*’ on page no. 193 and 202 of this Draft Prospectus.

### Following is the Issue Structure:

*INITIAL PUBLIC ISSUE OF 12,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (“EQUITY SHARES”) OF AMANAYA VENTURES LIMITED (“OUR COMPANY” OR “THE ISSUER COMPANY”) FOR CASH AT A PRICE RS. 31/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 21/- PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO RS. 372.00 LAKHS (“THE ISSUE”), OUT OF WHICH 64,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR A CASH PRICE OF RS. 31/- PER EQUITY SHARE, AGGREGATING TO RS. 19.84 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 11,36,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 31/- PER EQUITY SHARE AGGREGATING TO RS. 352.16 LAKHS (IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 32.09 % AND 30.38 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.*

*The Issue is being made through the Fixed Price Process:*

Particulars	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares*</b>	11,36,000 Equity Shares	64,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.67 % of the Issue Size  (50% for the Retail Individual Investors and the balance 50% for Other than Retail Individual Investors)	5.33% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum Allotment of 4,000 equity shares and further Allotment in multiples of 4,000 equity shares each.  For further details please refer to the paragraph titled ‘ <i>Issue Procedure-Basis of Allotment</i> ’ on page no. 202 of this Draft Prospectus.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA)	
<b>Minimum Application Size</b>	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 4,000 equity shares at an Issue Price of Rs. 31 each such that the Application Value exceeds Rs. 2,00,000  <u>For Retail Individuals:</u> 4,000 equity shares at an Issue Price of Rs. 31 each	64,000 Equity Shares at an Issue Price of Rs. 31 each
<b>Maximum Application Size</b>	<u>For QIB and NII:</u> The maximum application size is the Net	64,000 Equity Shares at an Issue Price of Rs. 31 each

Particulars	Net Issue to Public*	Market Maker Reservation Portion
	Issue to public, i.e., 5,68,000 subject to limits the investor has to adhere under the relevant laws and regulations as applicable.  <i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 4,000 equity shares at an Issue Price of Rs. 31	
<b>Mode of Allotment</b>	Compulsorily in dematerialized form	Compulsorily in dematerialized form
<b>Trading Lot</b>	4,000 equity shares	4,000 equity shares; the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of payment</b>	The entire Application Amount will be payable at the time of submission of the Application Form.	

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the Allocation' is the net issue to the public category shall be made as follows:

- a. Minimum fifty percent (50%) To Retail Individual Investors; and
- b. Remaining to:
  - i) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
- c. The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

**Note:**

In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account or UPI linked account number held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.

Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.

SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Withdrawal of the Issue**

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of BSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of the Prospectus after it is filed with the ROC.



In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the 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.

**Issue Program:**

<b>Issue Opening Date</b>	<b>[●]</b>
<b>Issue Closing Date</b>	<b>[●]</b>
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	<b>[●]</b>
<b>Initiation of Allotment / Refunds / Unblocking of Funds</b>	<b>[●]</b>
<b>Credit of Equity Shares to demat accounts of Allottee's</b>	<b>[●]</b>
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	<b>[●]</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of applications on the issue closing date:

- a. A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b. A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c. A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded on the electronic system would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.*

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.*

*Further, our Company and the Lead Manager do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI mechanism for application in this Issue.*

*The lists 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 Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by BSE Limited to act as intermediaries for submitting Application Forms are provided on <https://www.bsesme.com>.*

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (—UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for 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.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to

the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIIs (“UPI Phase III”) and modalities of the implementation of UPI Phase III maybe notified and made effective subsequently, as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to Rs. 5.00 lakhs shall use the UPI Mechanism.

*Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of Rs. 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days*

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

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 the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications 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, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Further, our Company and the Lead Manager do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI mechanism for application in this Issue.

#### ***Phased implementation of Unified Payments Interface***

SEBI has issued a ***UPI Circulars*** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her 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 commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

## **FIXED PRICE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using the UPI mechanism) and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

### **Application Form**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE Limited ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

The prescribed color of the Application Form for various investors applying in the Issue is as follows:

<b>Category</b>	<b>Color *</b>
Resident Indians and Eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA)	Blue

\* Excluding electronic Application Form

RIIs using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”)

- (i) an SCSB, with whom the bank account to be blocked, is maintained.
- (ii) a syndicate member (or sub-syndicate member),
- (iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker"),
- (iv) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),
- (v) a registrar to an issue and share transfer agent('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as ‘Intermediaries’), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSBs:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking the funds available in the bank account linked bank account details specified in the form, to the extent of the application money specified.
For applications submitted by 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 as specified by the stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to the designated branches of the respective SCSBs for blocking of the funds within one day of the closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic details with depository’s records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications

associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e., [www.bseindia.com](http://www.bseindia.com)

### **WHO CAN APPLY?**

- 1) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- 2) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
- 3) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- 4) Mutual Funds registered with SEBI;
- 5) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- 6) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- 7) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- 8) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 9) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant’s category;
- 10) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- 11) Foreign Venture Capital Investors registered with the SEBI;
- 12) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

- 13) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- 14) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- 15) Provident Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 16) Pension Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 17) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- 18) Insurance funds set up and managed by army, navy or air force of the Union of India and Department of Posts, India;
- 19) Multilateral and bilateral development financial institution;
- 20) Eligible QFIs;
- 21) Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
- 22) Multilateral and bilateral development financial institutions;
- 23) State Industrial Development Corporations;
- 24) Nominated Investor and Market Maker;
- 25) Any other person eligible to applying in this 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. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 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.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**



**a) For Retail Individual Applicants**

The Application must be for a minimum of 4,000 Equity Shares and in multiples of 4,000 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed Rs. 2,00,000.

**b) For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 4,000 equity shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.** 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.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

**BASIS OF ALLOTMENT**

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- 1) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- 2) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- 3) For applications where the proportionate allotment works out to less than 4,000 equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted 4,000 equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- 4) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 4,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 4,000 equity shares subject to a minimum allotment of 4,000 equity shares.

- 5) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 4,000 Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- 6) Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) Minimum fifty percent (50%) To Retail Individual Investors; and
  - b) Remaining to:
    - Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/ -. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS**

Except for the Underwriting and Market Making Obligations, the Lead Manager, Underwriters and Market Marker, if any shall not be allowed to subscribe to the Issue in any manner. However, associates and affiliates of the Lead Manager and Syndicate Members, if any, may subscribe to or purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- (a) As per Section 29 (1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form.
- (b) The Equity Shares, on Allotment, shall be traded on stock exchange in demat segment only.
- (c) A single application from any investor shall not exceed the investment limit/ minimum number of specified securities that can be held by him/her/ it under the relevant regulations/ statutory guidelines and applicable laws.

#### **INFORMATION FOR THE APPLICANTS**

- 1) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- 2) Our Company shall, after registering the Prospectus with the RoC, make a pre-issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement shall be in the prescribed format as per ICDR Regulations.
- 3) Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange.

- 4) Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
- 5) Applicants who are interested in subscribing for the Equity Shares should approach the Designated Intermediaries to register their Applications.
- 6) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- 7) The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
- 8) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
- 9) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account or UPI linked account number is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- 10) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.**

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be

treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/ institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

#### **APPLICATIONS BY ELIGIBLE NRIS/FII'S/RFPI'S ON REPATRIATION BASIS**

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of Issue of shares for Allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

#### **APPLICATION BY FPIS (INCLUDING FIIS)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24%

may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not reregistered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended (“LLP Act”) a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability partnerships can participate in the Issue only through ASBA process.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (a) *equity shares of a company*: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) *the entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid-up share capital and reserves.

A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **APPLICATIONS BY SCSBS**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

## **APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non- Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

## **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs.25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs.25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

## **APPLICATION BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in the Draft Prospectus.

## **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANTS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this 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.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

## **METHOD AND PROCESS OF APPLICATIONS**

- 1) Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
- 2) The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
- 3) During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- 4) The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
- 5) The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For the applications submitted by the investors to SCSB with using UPI for payment	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank accounts specified in the form, to the extent of the application money specified.
For applications submitted by 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 the stock exchange. Post uploading, they shall forward as schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.

- 6) The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.



- 7) Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
- 8) If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
- 9) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
- 10) The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until 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 Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **TERMS OF PAYMENT**

The entire Issue price of Rs. 31 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

#### **PAYMENT MECHANISM FOR APPLICANTS**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for

making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 500,000, may use UPI.

#### **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to streamline the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

#### ***Who can apply through UPI mode?***

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

#### **Process**

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).

#### **Blocking Of Funds:**

- a) Investors shall create UPI ID.
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form.
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange.
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission.
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds.
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds.

#### **Unblocking Of Funds:**

- a) After the offer close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public offer escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the offer period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

#### **Rejection Grounds Under Upi Payment Mechanism**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **List of Banks Providing UPI Facility**

- a. An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.
- b. A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:
- c. Home >> Intermediaries/Market Infrastructure Institutions >>Recognised Intermediaries >>Self Certified Syndicate Banks eligible as Issuer Banks for UPI
- d. Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI.

#### **Electronic Registration of Applications**

- 1) The Designated Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Designated Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
- 3) The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Designated Intermediaries or (iii) the applications accepted but not uploaded by the Designated Intermediaries.
- 5) The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Designated Intermediaries and their authorised agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>Sr. No.</b>	<b>Details *</b>
1)	Symbol
2)	Intermediary Code
3)	Location Code
4)	Application No.
5)	Category
6)	PAN
7)	DP ID
8)	Client ID
9)	Quantity
10)	Amount

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

- 7) With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number (of First Applicant, if more than one Applicant);
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Offer or Designated Branch, as applicable and bank code of the SCSB branch where the ASBA Account is maintained;
  - Bank Account Number and
  - Such other information as may be required.
- 8) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 9) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 10) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 11) The Designated Intermediaries shall have no right to reject the applications, except on technical grounds except as mentioned in the Draft Prospectus.
- 12) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

- 13) The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- 14) The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
- 15) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

### **Allocation of Equity Shares**

- 1) The Issue is being made through the Fixed Price Process wherein 64,000 Equity Shares shall be reserved for the Market Maker and 5,68,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **OTHER INSTRUCTIONS**

#### ***Joint Applications in the case of Individuals***

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### ***Multiple Applications***

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

- ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.
- iv) For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post Allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB and Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the LM reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN subject to the Depository Participants’ verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Issue Procedure.

### **Option To Receive Equity Shares In Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottee`s shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

### **Signing Of Underwriting Agreement**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●].

### **Filing Of The Prospectus With The RoC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of the Companies Act, 2013.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

## **GENERAL INSTRUCTIONS**

**Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Dont's:***

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;



Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

## **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- December 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 4,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (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 Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com) With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

### **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, UPI ID (if applicable), Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

## **Communications**

All future communications in connection with Applications made in this 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 Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## **Disposal Of Applications And Application Moneys And Interest In Case Of Delay**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment shall be made within three (3) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## **Impersonation**

*Attention of the applicants is also specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:*

***“Any person who:***

- a. ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- b. ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- c. ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013 and shall be treated as Fraud.”***

## **Completion of formalities for Listing & Commencement of Trading**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

### **Mode of Refund**

a) In case of ASBA Applicants: Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Issue may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### ***Mode of Making Refund for ASBA Applicants***

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### ***Mode of making refunds for Applicants other than ASBA Applicants***

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Bidders' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders account details, IFSC code, MICR code and occupation (hereinafter referred to as “Demographic Details”). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders may refer to Draft Prospectus.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **UNDERTAKINGS BY OUR COMPANY**

The Company undertakes the following:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 working days from Issue Closing date;
- 3) That our Promoter’s contribution in full has already been brought in;
- 4) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 5) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6) That no further issue of equity shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
- 7) That the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non - resident Indians shall be completed within specified time;

- 8) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 9) That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 10) If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer; and
- 11) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
- 12) That none of the promoters or directors of the company is wilful defaulter or a fraudulent borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board of Directors certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of SEBI(LODR) Regulations,2015 as amended from time to time in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue; and
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

#### **EQUITY SHARES IN 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 to the Issue:

1. Agreement dated 04-01-2021 between CDSL, the Company and the Registrar to the Issue;
2. Agreement dated 23-12-2020 between NSDL, the Company and the Registrar to the Issue;
3. The Company's shares bear an ISIN: INE0G1V01016.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non- Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non- Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

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.

## SECTION XIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013

#### COMPANY LIMITED BY SHARES

#### ARTICLES OF ASSOCIATION\*

#### OF

#### #AMANAYA VENTURES LIMITED

*\*The following regulations comprised in these Articles of Association were adopted pursuant to Special resolution passed at the Extra Ordinary General Meeting of the Company held on July 30, 2022 in substitution for and to the entire exclusion of the earlier Articles of Association.*

*#The Name of the Company changed from Amanaya Finanacial Services Private Limited to Amanaya Ventures Private Limited to conversion of Company from Private Limited to Public Limited Company via Board Resolution dated August 14, 2015 and Shareholders Resolution at the Extra Ordinary Meeting of equity shareholders held on September 14, 2015.*

*#The Name of the Company changed from Amanaya Ventures Private Limited to Amanaya Ventures Limited to conversion of Company from Private Limited to Public Limited Company via Board Resolution dated September 16, 2015 and Shareholders Resolution at the Extra Ordinary Meeting of equity shareholders held on October 09, 2015.*

*The regulations contained in Table 'F' of 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 regulations for the management of the Company.*

#### 1. Interpretations:

1.1 In the interpretation of these Articles, the following words and expressions shall have the meanings assigned hereunder, unless repugnant to the subject matter or context thereof:

Act	Means the Companies Act, 2013 and any statutory modification or re-enactment thereof for the time being in force and Companies Act, 1956 (to the extent not repealed/ not replaced by the Companies Act, 2013), as applicable.
Articles or these Articles	Means the articles of association of the Company, as amended from time to time.
Annual General Meeting	Means a general meeting of the members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Auditors	Means and include those persons appointed as such for the time being by the Company or, where so permitted by Applicable Law, by its Board
Applicable Law	Means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.
Beneficial Owner	Means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996.
Board Meeting	Means a meeting of the Directors or a committee thereof, duly called and constituted.
Board or Board of Directors	Means the board of Directors for the time being of the Company



or the Board	
Chairperson	Shall mean the Person who acts as a chairperson of the Board of the Company
Committee	Means any committee of the Board of Directors of the Company formed as per the requirements of Act or for any other purpose as the Board may deem fit
Company or This Company	Amanaya Ventures Limited
Chief Executive Officer	Means an officer of a Company, who has been designated as such by the Company
Chief Financial Officer	Means a person appointed as the Chief Financial Officer of a Company
Company Secretary or Secretary	Means a company secretary as defined in clause (c) of sub-Section (1) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the functions of a company secretary under the Act
Debenture	Includes debenture-stock, bonds and any other debt securities of the Company, whether constituting a charge on the assets of the Company or not.
Depositories Act	Shall mean the Depositories Act, 1996 and includes any statutory modification or enactment thereof
Depository	Shall mean a Depository as defined in clause (e) sub-section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub Section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
Director	Means a director of the Company for the time being, appointed as such.
Dividend	Includes interim dividend.
Extraordinary General Meeting	Means an extraordinary general meeting of the Members duly called and constituted and any adjourned meeting thereof.
Financial Year	Means the same as in Section 2(41) of the Act
Free Reserves	Means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as Dividend: Provided that— (i) any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or (ii) any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves
In writing or written	Means and include printing, typing, lithographing, computer mode and other modes of reproducing words in visible form
Independent Director	Means a Director fulfilling the criteria of independence and duly appointed as per Applicable Law.
Key Managerial Personnel	Means such persons as defined in Section 2(51) of Act
Managing Director	Means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a Director occupying the position of managing Director, by whatever name called.
General Meeting	Means a meeting of Members of the Company.
Members	Member in relation to the Company, means- (a) the subscribers to the Memorandum of Association of the Company who shall be deemed to have

	agreed to become members of the company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; (c) every person holding shares in the Company and whose name is entered in as a Beneficial Owner in the records of a Depository.
Memorandum or Memorandum of Association	Means the memorandum of association of the Company, as amended from time to time.
Month	Means a calendar month
Ordinary Resolution	Means a resolution referred to in Section 114 of the Act.
Persons	Includes any artificial juridical person, corporations or such other entities as are entitled to hold property in their own name.
Postal Ballot	Means voting by post through postal papers distributed amongst eligible voters and shall include voting by electronic mode or any other mode as permitted under Applicable Law
Register of Beneficial Owners	Means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of electronic mode
Register of Members	Means the register of Members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial Owners.
Registrar	Means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated
Seal	Means the common seal, if any, adopted for the time being of the Company
Section	Means the relevant section of the Act; and shall, in case of any modification or re-enactment of the Act shall be deemed to refer to any corresponding provision of the Act as so modified or reenacted.
Securities	Means Shares, Debentures and/or such other securities as may be treated as securities under Applicable Law.
Shares	Means the shares into which the Share Capital of the Company is divided.
Share Capital or Capital	Means the share capital for the time being raised or authorized to be raised, for the purpose of the Company
Special Resolution	Means a resolution referred to in Section 114 of the Act.
These Presents	Means the Memorandum of Association and the Articles of Association of the Company.
Tribunal	Means the National Company Law Tribunal constituted under section 408 of the Act
Voting Right	Means the right of a Member of a Company to vote in any meeting of the Company
Written” or “in writing	means and includes the word printed, lithographed, represented in or reproduced in any mode in a visible form
Year	Means the Financial Year of the Company

1.2 Public Limited Company: means as Company which –

- a. is not a private company
- b. has a minimum paid up share capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles

1.3 Expressions not specifically defined in these Articles shall bear the same meaning as assigned to the them in the Act

1.4 In the interpretation of these Articles,

- (a) any reference to the singular shall include the plural and vice-versa; and
- (b) any references to the masculine, the feminine and the neuter shall include each other.

1.5 The marginal notes hereto shall not affect the construction of these Articles.

## **SHARE CAPITAL, INCREASE AND REDUCTION OF CAPITAL**

### ***Amount of Capital***

2. The Authorized Share Capital of the Company shall be such as may be specified from time to time in Clause V of the Memorandum of Association, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes as permissible in Applicable Law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by the Board, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions.

### ***Increase of Capital by the Company***

3. Subject to Applicable Law, the Board may, from time to time, increase the paid-up Share Capital by creation of new Shares. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution of the Board shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Share Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such Shares may be issued with a preferential or qualified right to dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act or other Applicable Law.

### ***New Capital part of the existing Capital***

4. Except in so far as otherwise provided in the conditions of issue of Shares, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

### ***Issue of redeemable preference shares***

5. Subject to the provisions of Section 55 of the Act and these Articles, the Company shall have the power to issue redeemable preference Shares liable to be redeemed at the option of the Company and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

### ***Provisions applicable to any other Securities***

6. The Board shall be entitled to issue, from time to time, subject to Applicable Law, any other Securities, including Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing, as may

be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance: Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

#### ***Reduction of Capital***

7. The Company may, subject to the provisions of Section 66 of the Act or any other Applicable Law for the time being in force, by way of Special Resolution reduce its Share Capital, any capital redemption reserve account or share premium account in any manner for the time being authorized by law.

#### ***Sub-division, consolidation and cancellation of Shares***

8. Subject to the provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them, and the resolution where by any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend or otherwise over or as compared with the others. Subject as aforesaid the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

#### ***Variation of rights***

9. Whenever the Share Capital is divided into different types or classes of shares, all or any of the rights and privileges attached to each type or class may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing by holders of at least three-fourths of the issued Shares of the class or is confirmed by a Special Resolution passed at a separate Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting.

#### ***Further issue of Capital***

10. Where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further Shares, then:
  - 10.1. Such further Shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the Capital paid-up on those shares at the date.
  - 10.2. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - 10.3. 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 favor of any other person and the notice referred to in Article 10.2 hereof shall contain a statement of this right.
  - 10.4. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the interest of the Company.
  - 10.5. 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 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 *pari passu* therewith.

11. Notwithstanding anything contained in the Article 10, the further Shares aforesaid may be offered in any manner whatsoever, to:

11.1. employees under a scheme of employees' stock option scheme;

11.2. to any persons on private placement or on preferential basis, whether or not those persons include the persons referred to Article 10, either for cash or for a consideration other than cash, if so decided by a Special Resolution, as per Applicable Law.;

12. Nothing contained in these Articles shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the Debenture issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company:

Provided that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in general meeting.

#### ***Shares at the disposal of the Directors***

13. Subject to the Applicable Law, the Securities of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the Capital of the Company or other Securities on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

#### ***Power to issue Shares outside India***

14. Pursuant to the provisions of Applicable Law and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as "**Appropriate Authorities**") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, Equity Shares and/or any instruments or securities (including Global Depository Receipts) representing Equity Shares, any such instruments or securities being either with or without detachable Warrants attached thereto entitling the Warrant holder to Equity Shares/instruments or Securities (including Global Depository Receipts) representing Equity Shares, (hereinafter collectively referred to as "the Securities") to be subscribed to in foreign currency / currencies by foreign investors (whether individuals and/or bodies corporate and/or institutions and whether shareholders of the Company or not) for an amount, inclusive of such premium as may be determined by the Board. Such issue and allotment to be made on such occasion or occasions, at such value or values, or at a premium and in such form and in manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with Lead Manager and/or Underwriters and/or Legal or other Advisors, or as may be prescribed by the Appropriate Authorities while granting their approvals, permissions and sanctions as aforesaid which the Board be and is hereby authorized to accept at its sole discretion. The provisions of this Article shall extend to allow the Board to issue such foreign Securities, in such manner as may be permitted by Applicable Law.

#### ***Acceptance of Shares***

15. Any application signed by or on behalf of an applicant, for Shares in the Company, followed by an allotment of any Share shall be an acceptance of shares within the meaning of these Articles and every

person who, does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a member.

***Deposit and call to be a debt payable immediately***

16. The money (if any) which the Board shall, on the allotment of any Share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

***Liability of Members***

17. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his Share(s) which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

***Shares not to be held in trust***

18. Except as required by law, no person shall be recognized by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

***The first named joint holder deemed to be sole holder***

19. If any Share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such Shares for all incidents thereof according to the Company's regulations.

***Register of Members and index***

20. The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act. The details of shares held in physical or dematerialized forms may be maintained in a media as may be permitted by law including in any form of electronic media.
21. A member, or other Security holder or Beneficial Owner may make inspection of Register of Members and annual return. Any person other than the Member or Debenture holder or Beneficial Owner of the Company shall be allowed to make inspection of the Register of Members and annual return on payment of Rs. 50 or such higher amount as permitted by Applicable Law as the Board may determine, for each inspection. Inspection may be made during business hours of the Company during such time, not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time.
22. Such person, as referred to in Article 21 above, may be allowed to make copies of the Register of Members or any other register maintained by the Company and annual return, and require a copy of any specific extract therein, on payment of Rs. 10 for each page, or such higher amount as permitted under Applicable Law.

***Foreign Registers***

23. The Company may also keep a foreign register in accordance with Section 88 of the Act containing the names and particulars of the Members, Debentureholders, other Security holders or Beneficial Owners

residing outside India; and the Board may (subject to the provisions of aforesaid Section) make and vary such regulations as it may think fit with respect to any such register.

## **SHARES CERTIFICATES**

### ***Share certificate to be numbered progressively and no Share to be subdivided***

24. The shares certificates shall be numbered progressively according to their several denominations specify the shares to which it relates and bear the Seal, if any, of the Company and except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share certificate shall continue to bear the number by which the same was originally distinguished.

Provided however that the provision relating to progressive or distinctive numbering of shares shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form.

### ***Limitation of time for issue of certificates***

25. Subject to the provisions of the Act and other Applicable Law, every Member, other than a Beneficial Owner, shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more of such Shares within one months of. Every certificates of Shares shall be under the Seal, if any, of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

### ***Issue of new certificate in place of one defaced, lost or destroyed***

26. If any certificate be worn out, defaced, mutilated, old/ or torn or in case of sub-division or consolidation then upon production and surrender such certificate to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced as the Board deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued in case of splitting or consolidation of Share certificate(s) or in replacement of Share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Further, no duplicate certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board and only on furnishing of such supporting evidence and/or indemnity as the Board may require, and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced, without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; Provided further that the Company shall comply with the provisions of Section 46 of the Act and other Applicable Law, in respect of issue of duplicate Share certificates.

27. The provision of this Article shall *mutatis mutandis* apply to issue of certificates of Debentures of the Company

### **BUY BACK OF SECURITIES BY THE COMPANY**

28. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and other Applicable Law as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own Shares or other specified Securities. The power conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.

### **UNDERWRITING AND BROKERAGE**

#### ***Commission may be paid***

29. Subject to the provisions of the Act and other Applicable Law, and subject to the applicable SEBI guidelines and subject to the terms of issue of the Shares or Debentures or any Securities, as defined in the Securities Contract (Regulations) Act, 1956, the Company may, at any time pay a commission out of proceeds of the issue or profit or both to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or Debentures of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, Debentures or of the Company but so that the commission shall not exceed in the case of shares, five per cent of the price at which the Shares are issued, and in the case of Debentures, two and a half per cent of the price at which the Debentures are issued or at such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid Shares, Securities or Debentures or partly in one way and partly in the other.

#### ***Brokerage***

30. The Company may, subject to Applicable Law, pay a reasonable and lawful sum for brokerage to any person for subscribing or procuring subscription for any Securities, at such rate as approved by the Directors.

### **CALL ON SHARES**

#### ***Directors may make calls***

31. The Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable in instalments.

#### ***Notice of calls***

32. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
33. A call may be revoked or postponed at the discretion of the Board.

#### ***Calls to date from resolution***



34. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed as provided herein and may be required to be paid by instalments.

***Directors may extend time***

35. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, but no member shall be entitled to such extension save as a member of grace and favor.

***Calls to carry interest***

36. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such percentage as the Board of Directors may determine. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such member.

37. The Board shall be at liberty to waive payment of any such interest wholly or in part.

***Sums deemed to be calls***

38. Any sum, which may by the terms of issue of a Share become payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

***Proof on trial of suit for money due on Shares***

39. At the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the Minutes Book, and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

***Partial payment not to preclude forfeiture***

40. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

***Payment in anticipation of call may carry interest***

41. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

42. The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debenture or other Securities of the Company.

## **LIEN**

### ***Company to have lien on Shares***

43. The Company shall have a first and paramount lien upon all the Shares/ Debentures/Securities (other than fully paid-up Shares/Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures/Securities and no equitable interest in any Shares shall be created except upon the footing, and upon the condition that this Article will have full effect and any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares/Debentures/Securities:

Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

### ***As to enforcing lien by sale***

44. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred Shares shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
45. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

### ***Application of proceeds of sale***

46. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the persons entitled to the Shares at the date of the sale.

## **FORFEITURE OF SHARE**

### ***If call or installment not paid notice may be given***

47. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

### ***Form of notice***

48. The notice shall:
- 48.1. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

- 48.2. shall detail the amount which is due and payable on the Shares and shall state that in the event of non-payment at or before the time appointed, the Shares will be liable to be forfeited.

***If notice not complied with, Shares may be forfeited***

49. If the requisitions of any such notice as aforesaid be not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, 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 of forfeiture to a Member***

50. When any Shares shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission to give such notice or to make any such entry as aforesaid.

***Forfeited Share to become property of the Company***

51. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as think fit.

***Power to annul forfeiture***

52. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

***Liability on forfeiture***

53. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture of the payment, at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

***Effect of forfeiture***

54. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the Share and all other rights, incidental to the Share except only such of those rights as by these Articles are expressly saved.

***Evidence of forfeiture***

55. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that certain Shares in the Company have 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 Shares.

***Cancellation of Share certificate in respect of forfeited shares***

56. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person or persons, entitled thereto as per the provisions herein.

56.1. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favor of the person to whom the Share is sold or disposed of.

56.2. The transferee shall thereupon be registered as the holder of the Share; and

56.3. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

***These Articles to apply in case of any non-payment***

57. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**EMPLOYEES STOCK OPTIONS**

58. Subject to the provisions of Section 62 of the Act and the Applicable Law, the Company may issue options to the any Directors, not being Independent Directors, officers, or employees of the Company, its subsidiaries or its parent, which would give such Directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the Securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees share purchase or both: Provided that it will be lawful for such scheme to require an employee, officer, or Director, upon leaving the Company, to transfer Securities acquired in pursuance of such an option/scheme, to a trust or other body established for the benefit of employees of the Company.

**POWER TO ISSUE SWEAT EQUITY SHARES**

59. Subject to and in compliance with Section 54 and other Applicable Law, the Company may issue equity Shares to its employees or Director(s) at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

**PREFERENTIAL ALLOTMENT**

60. Subject to the provisions of Section 62 the Act, read with the conditions as laid down in the Applicable Law, and if authorized by a Special Resolution passed in a General Meeting, the Company may issue Shares, in any manner whatsoever, by way of a preferential offer or private placement. Such issue on preferential basis or private placement should also comply with the conditions as laid down in Section 42 of the Act and/or Applicable law.

**CAPITALIZATION OF PROFITS**

61. The Company in General Meeting may, upon the recommendation of the Board, resolve:

61.1. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including capital redemption reserve account), or to the credit of the profit and loss account, otherwise available for distribution or securities premium account; and

- 61.2. that such sum be accordingly set free for distribution in the manner specified in 62.1 amongst the members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
62. The sum aforesaid shall not be paid in cash but shall be applied, subject to applicable provisions contained herein, either in or towards:
- 62.1. paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
- 62.2. paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
- 62.3. partly in the way specified in Article 63.1 and partly in that specified in Article 63.1;
- 62.4. The Board shall give effect to the resolution passed by the members of the Company in pursuance of this Article.
- 62.5. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- 62.5.1. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
- 62.5.2. generally, do all such acts and things required to give effect thereto.
63. For the purpose of giving effect to any resolution under Articles 62 and 63, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient.

## **TRANSFER AND TRANSMISSION OF SHARES**

### ***Register of transfers***

64. The Company shall keep a register to be called the 'Register of Transfers', and therein shall be fairly and directly entered particulars of every transfer or transmission of any Share. Entries in the register should be authenticated by the secretary of the Company or by any other person authorized by the Board for the purpose, by appending his signature to each entry.

### ***Instruments of transfer***

65. The instrument of transfer shall be in writing and duly stamped and in such common form as may be prescribed under the Act from time to time and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

### ***To be executed by transferor and transferee***

66. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favor of a minor (except in cases when they are fully paid up).
67. Application for the registration of the transfer of a Share may be made either by the transferee or the transferor. Where an application is made by the transferor and relates to partly paid up shares, no registration shall be effected unless the Company gives notice of the application to the transferee subject

to the provisions of these Articles, Section 56 of the Act and other Applicable Law, and the transferee gives no objection to the transfer within two weeks from the receipt of the notice. In the event of non-receipt of any objection from the transferee within the period of two weeks as aforesaid, the Company shall enter in the Register the name of transferee in the same manner and subject to the same conditions as it the application for registration of the transfer was made by the transferee.

The Board may, subject to the right of appeal conferred by section 58 decline,

to register --

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### ***Transfer books when closed***

68. Subject to the applicable provisions of the Act, SEBI Regulations and these Articles, the Board shall have to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other Security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

#### ***Directors may refuse to register transfer***

69. Subject to the provisions of the Act and other Applicable Law, the Board may at its own, discretion, decline to register or acknowledge any transfer of Securities, whether fully paid or not (notwithstanding that the proposed transferee be already a Member), provided in such cases it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer: Provided that registration of transfer shall not be refused on the ground of the transferor being, either alone or jointly with any person or persons, indebted to the Company on any account whatsoever except where the Company has lien on the Securities.

#### ***Directors to recognize Beneficial Owners of securities***

70. Notwithstanding anything contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
71. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its Securities held by a Depository.
72. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognize any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

#### ***Nomination***

73. Every holder of Shares in, or Debentures of the Company may, at any time, nominate, in the manner prescribed under the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder.
74. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
75. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.
76. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

***Transmission in the name of nominee***

77. Any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any Security holder, or by any lawful means other than by a transfer in accordance with these Presents, may with the consent of the Board of Directors and subject as hereinafter provided, elect, either:

77.1. to be registered himself as holder of the Securities; or

77.2. to make such transfer of the Securities as the deceased Security holder could have made.

Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

78. 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.
79. If the nominee, so becoming entitled, elects himself to be registered as holder of the Securities, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased Security holder or proof of lunacy, bankruptcy or insolvency of the Security holder, as the case may be, and the certificate(s) of Securities held by such Security holder in the Company.
80. If the person aforesaid shall elect to transfer the Securities, he shall testify his election by executing a transfer of the Securities.
81. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Security holder had not occurred and the notice or transfer were a transfer signed by that Member.

82. A nominee on becoming entitled to Securities by reason of the death of the holder or joint holders shall be entitled to the same Dividend or interest and other advantages to which he would be entitled if he were the registered holder such Securities, except that he shall not before being registered as holder of such Securities, be entitled in respect of them to exercise any right conferred on a Security holder in relation to meetings of the Company.

***No transfertominor, insolvent etc.***

83. No transfer shall be made to a minor or person of unsound mind. However, in respect of fully paid up shares, Securities may be transferred in favor of a minor acting through legal guardian, in accordance with the provisions of Applicable Law.

***Transfer to be presented with evidence of title***

84. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

***Company not liable for disregard of a notice in prohibiting registration of transfer***

85. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend 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 some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

## **DEMATERIALIZATION OF SECURITIES**

***Dematerialization of Securities***

86. The Board shall be entitled to dematerialize its existing Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended and the rules framed thereunder, if any.

***Options for investors***

87. Subject to the Applicable Law, every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is a Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Securities held by him in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue and deliver to the Beneficial Owner, the required certificates for the Securities.

***Securities in depositories to be in fungible form***

88. All securities held by a Depository shall be dematerialized and be in fungible form.

***Service of Documents***



89. Notwithstanding anything contained in these Articles to the contrary, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of electronic mode

***Transfer of securities***

90. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

***Allotment of securities dealt with in a Depository***

91. Notwithstanding anything contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

***Register and index of Beneficial Owners***

92. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

**COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

93. Copies of Memorandum and Articles of Association of the Company shall be furnished to every Member within seven days of his request on payment of an amount as may be fixed by the Board to recover reasonable cost and expenses, not exceeding such amount as fixed under Applicable Law.

**BORROWING POWERS**

***Power to borrow***

94. Subject to the provisions of these Articles, the Act and other Applicable Law, the Board may, from time to time, at its discretion, by way of a resolution passed at the meeting of Board, accept deposits from its members or otherwise, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money to be borrowed together with the moneys already borrowed; or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up Capital of the Company and its free reserves.

***Conditions on which money may be borrowed***

95. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other Security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being).

***Terms of issue of Debentures***

96. Any Debentures, Debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit: Provided that Debenture with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, Debenture stock, bonds and other Securities may be made assignable free from any equities from the Company and the person to whom it may be issued. Debentures, Debenture- stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with such sanctions as may be applicable.

***Instrument of transfer***

97. No transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures: Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

***Register of charges, etc.***

98. The Board shall cause a proper Register to be kept in accordance with the provisions of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 77 to 87 of the Act, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

***Register and index of Debenture holders***

99. The Company shall, if at any time it issues Debentures, keep register and index of Debenture holders in accordance with Section 88 of the Act. Subject to the Applicable Law, the Company shall have the power to keep in any State or Country outside India, a register of Debenture-stock holders, resident in that State or Country.

**GENERAL MEETINGS**

100. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.
101. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate
102. All General Meetings other than annual general meeting shall be called extraordinary general meeting.
103. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- 103.1. the consideration of financial statements and the reports of the Board of Directors and Auditors;
  - 103.2. the declaration of any Dividend;
  - 103.3. the appointment of Directors in place of those retiring;
  - 103.4. the appointment of, and the fixing of the remuneration of, the Auditors
104. In case of any other meeting, all business shall be deemed special.
105. The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
106. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Members/ class of Members/ Debentureholders, seek their assent by Postal ballot, including e-voting. Such Postal ballot will comply with the provisions of Applicable Law in this behalf.
107. The intent of these Articles is that in respect of seeking the sense of the Members or Members of a class or any Security holders, the Company shall, subject to Applicable Law, be entitled to seek assent of Members, members of a class of Members or any holders of Securities using such use of contemporaneous methods of communication as is permitted by Applicable Law. A written resolution

including consent obtained through electronic mode shall be deemed to be sanction provided by the Member, Member of a class or other Security holder by way of personal presence in a meeting.

108. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
109. Any meeting called as above by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

***E-voting in case of General Meetings***

110. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.
111. Where Member has been allowed the option of voting through electronic mode as per Applicable Law, such Member, or Members, who have voted using the electronic facility, generally, shall be allowed to speak at a General Meeting, but shall not be allowed to vote again at the meeting.

Provided that voting may also be allowed to be case by way of post or any other mode which any Applicable Law may allow.

***Notice of General Meetings***

112. Subject to the Applicable Law, atleast 21 clear days' notice of every General Meeting, specifying the day, date, place and hour of meeting, containing a statement of the business to be transacted thereat, shall be given, either in writing or through electronic mode, to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company.
113. A General Meeting may be called at a shorter notice if consented to by either by way of writing or any electronic mode by not less than 95% of the Members entitled to vote at such meeting.

***Quorum at General Meeting***

114. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
115. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
116. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or to such other day and at such other time and place as the Board may determine subject to Applicable Law and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

***Chairperson at General Meetings***

117. The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company.

118. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one among themselves to be Chairperson of the General Meeting.
119. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of themselves to be Chairperson of the General Meeting.
120. No business shall be discussed at any General Meeting except the election of a Chairperson, while the chair is vacant.

#### ***Adjournment of Meeting***

121. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
122. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
123. 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.

#### ***Voting rights***

124. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.
125. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
  - 125.1. on a show of hands, every member present in person shall have one vote; and
  - 125.2. on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity ShareCapital of the Company.
  - 125.3. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
126. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

127. 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.
128. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

129. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting shall be valid for all purposes.
130. Any such objection made in due time shall be referred to the Chairperson of the General Meeting, whose decision shall be final and conclusive.

***Proxy***

131. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote by a representative duly authorized in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
132. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; and in default the instrument of proxy shall not be treated as valid.
133. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the common seal of such corporate, if any, or be signed by an officer or any attorney duly authorized by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.
134. A Member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.
135. The proxy so appointed shall not have any right to speak at the General Meeting.
136. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

***Maintenance of records and Inspection of minutes of General Meeting by Members***

137. Where permitted/required by Applicable Law, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and the conditions as laid down in the Applicable Law. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.
138. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
139. Any such minutes shall be evidence of the proceedings recorded therein.

140. The book containing the minutes of proceedings of General Meetings shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time, to the inspection of any Member without charge.
141. Any Member of the Company shall be entitled to a copy of minutes of the General Meeting on receipt of a specific request and at a fee of Rs. 10/- (Rupees Ten only) for each page, or such higher amount as the Board may determine, as permissible by Applicable Law.

#### **BOARD OF DIRECTORS**

142. Until otherwise determined by a General Meeting and subject to provisions of the Act, the number of directors shall not be less than three or more than fifteen.

Following are the First Directors of the Company:

1. Manan Mahajan
2. Rajni Mahajan

143. The Directors are not required to hold any qualification shares.
144. Composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transaction business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

#### ***Board's power to appoint Additional Directors***

145. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.
146. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act or any other law as may be applicable.

#### ***Nominee Directors***

147. The Company shall, subject to the provisions of the Act and these Articles, be entitled to agree with any Person that he or it shall have the right to appoint his or its nominee on the Board, not being an Independent Director, upon such terms and conditions as the Company may deem fit.
148. Whenever the Company enters into the contract with any government, central, state or local, any bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Board shall have, subject to the provisions of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such director or directors shall not be liable to retire by rotation nor be required to hold any qualification shares. The directors may also agree that any such director or directors may be removed from time to time by the appointer entitled to

appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any privileges and rights exercised and enjoyed by the directors of the Company including payment of remuneration and travelling expenses to such director or directors as may be agreed by the Company with the appointer.

#### *Appointment of Alternate Directors*

149. Subject to the provisions of Section 161 of the Act, the Board may appoint an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the Alternate Director.

For the purpose of absence in the Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an Alternate Director appointed in his place, shall not be considered.

#### *Board's power to fill casual vacancies*

150. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

#### *Independent Directors*

151. Subject to the provisions of the Act and other Applicable Law, the Board or any other Committee as per the Act shall identify potential individuals for the purpose of appointment as Independent Director either from the date bank established under Section 150 of Act or otherwise.
152. The Board on receiving such recommendation shall consider the same and propose his appointment for approval at a General Meeting. The explanatory statement to the notice for such General Meeting shall provide all requisite details as required under the Act.
153. Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law or these Articles, **Error! Reference source not found.** removal from Directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled by following the process laid down herein below and in accordance with the Applicable Law. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.
154. Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.
155. The Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.

156. An Independent Director shall not be entitled to any stock option and may receive remuneration by way of sitting fee, reimbursement of expenses for participation in the Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.
157. An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.
158. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

#### ***Term of Office of Independent Director***

159. Subject to Applicable Law, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for reappointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.
160. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3(three) years of ceasing to become an Independent Director provided that he shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

#### ***Retirement and rotation of Directors***

161. At least two-thirds of the total number of Directors, excluding Independent Directors, will be the Directors who are liable to retire by rotation (hereinafter called "**the Rotational Directors**").
162. Subject to the provisions of the Act and these Articles, the managing Director and/or the whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation.
163. At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.
164. A retiring Director shall be eligible for re-election.

#### ***Resignation of Directors***

165. Subject to the provisions of Applicable Law, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same. The fact of such resignation shall be mentioned in the report of Directors laid in the immediately following Annual General Meeting by the Company.
166. A Managing Director ora Whole-time Director or any Executive Director who has any terms of employment with the Company shall not give any notice of resignation in breach of the conditions of employment as may be applicable, either to a Director specifically, or to employees of the Company generally. A nominee Director shall not give any notice of resignation except through the nominating person.
167. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later:



Provided that the Director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

#### ***Removal of Directors***

168. Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

#### ***Remuneration of Directors***

169. Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Provided that where the Company takes a Directors' and Officers' Liability Insurance, specifically pertaining to a particular Director and/or officer, then the premium paid in respect of such insurance, for the period during which a Director and/or officer has been proved guilty, will be treated as part of remuneration paid to such Director and/or officer.

170. The Board or a relevant Committee constituted for this purpose shall seek to ensure that the remuneration paid to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
171. The fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board of Directors from time to time within the maximum limit as prescribed under the Act and Applicable Law. Fee shall also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act. Fee shall also be payable for participating in meetings through permissible electronic mode.
172. In addition to the remuneration payable pursuant to Section 197 of the Act, the Directors may be paid all conveyance, hotel and other expenses properly incurred by them:
- 172.1. in attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings of the Company; or
- 172.2. in connection with the business of the Company.

#### ***Directors may act notwithstanding any vacancies on Board***

173. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by these Articles, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by these Articles or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

#### ***Vacation of office of Director***

174. The office of a Director shall ipso facto be vacated:
- 174.1. on the happening of any of the events as specified in Section 167 of the Act.
- 174.2. if a person is a Director of more than the number of Companies as specified in the Act at a time;
- 174.3. in the case of alternate Director, on return of the original Director in terms of Section 161 of the Act;

- 174.4. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company;
- 174.5. if he is removed in pursuance of Section 169 of the Act;
- 174.6. any other disqualification that the Act for the time being in force may prescribe.

***Notice of candidature for office of Directors except in certain cases***

175. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him as a Director, has, not less than fourteen days before the General Meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office along with the requisite deposit of Rs. 1,00,000/- (Rupees One Lakh only) or such higher amount as the Board may determine, as permissible by Applicable Law.
176. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

***Director may contract with the Company***

177. Subject to such sanctions as required by Applicable Law, a Director or any related party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract or any arrangement with the Company.
178. Unless so required by Applicable Law, no sanction shall, however, be necessary for any contracts with a related party entered into on arm's length basis. Where a contract complies with such conditions or indicia of arm's length contracts as laid down in a policy on related party transactions framed by the Board in accordance with the Applicable Law, the contract shall be deemed to be a contract entered into on arm's length basis.

***Disclosure of interest***

179. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than two per cent of the shareholding in such other body corporate.

***Interested Director not to participate or vote in Board's proceeding***

180. Subject to the provisions of Section 184 of the Act, no Director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

***Register of contracts in which Directors are interested***

181. The Company shall keep a register of contracts or arrangements in which directors are interested in accordance with the provisions of Act. Such register shall be kept at the registered office of the Company and shall be preserved permanently be kept in the custody of the Company Secretary of the Company or any other person authorized by the Board for the purpose.

182. Such a Register shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be provided to a Member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (Rupees Ten only) per page, as such higher amount as may be laid by the Board, as permitted by Applicable Law.

***Register of Directors and Key Managerial Personnel and their shareholding***

183. The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel, which shall include the details of Securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

***Miscellaneous***

184. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**PROCEEDINGS OF THE BOARD**

***Meetings of Board***

185. The Directors may meet together as a Board from time to time for the conduct of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.
186. A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic mode.
187. The notice of the meeting shall inform the Directors regarding the option available to them to participate through electronic mode, and shall provide all the necessary information to enable the Directors to participate through such electronic mode.
188. Certain matters, as may be specified under the Applicable Law from time to time, shall not be dealt with in a meeting of the Board through video conferencing or other audio visual means.
189. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director.
190. The Board shall so meet at least once in every four months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
191. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. The names of Directors who have participated in Board meetings through electronic mode shall be entered and initialled by the Company Secretary, stating the manner in which the Director so participated

***Meetings of Board by Video/audio-visual conferencing***

192. Subject to the provisions of the Act and Applicable Law, the Directors may participate in meetings of the Board otherwise through physical presence, electronic mode as the Board may from time to time decide

and Directors shall be allowed to participate from multiple locations through modern communication equipment for ascertaining the views of such Directors who have indicated their willingness to participate by such electronic mode, as the case may be.

***Regulation for meeting through electronic mode***

193. The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board meetings through electronic mode, as the case may be, in accordance to the provisions of the Act and Applicable Law. In case of a place other than such places where Company makes arrangements as above, the Chairperson may decline the right of a Director to participate through electronic mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairperson so permits a Director to participate from a place other than the designated places where the Company has made the arrangements, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairperson, may be reimbursed by the Company.
194. Subject as aforesaid, the conduct of the Board meeting where a Director participates through electronic mode shall be in the manner as laid down in Applicable Law.
195. The rules and regulations for the conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act and/or Applicable Law, shall apply to meetings conducted through electronic mode, as the case may be.
196. Upon the discussions being held by electronic mode, as the case may be, the Chairperson or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.
197. Subject to provisions of Section 173 of the Act and the Applicable Laws, a Director may participate in and vote at a meeting of the Board by means of electronic mode which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of this Board Meeting.

***When can a meeting be convened***

198. The Managing Director or a Director may, and the Manager or Company Secretary upon the requisition of Director(s) shall, at any time, summon a meeting of the Board.

***Chairperson for Board Meetings***

199. The Board may elect a Chairperson, and determine the period for which he is to hold office. The Managing Director may also be appointed by the Board as the Chairperson.
200. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting.

***Quorum***

201. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairperson of the Board shall decide.

***Exercise of powers to be valid in meetings where quorum is present***

202. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 of the Act, the powers of the Company.

***Matter to be decided on majority of votes***

203. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.

***Power to appoint Committee and to delegate powers***

204. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or committee of officers as the Board may determine.
205. Any committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.
206. The meetings and the 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 Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board.

***Resolution without Board Meeting/ Resolution by Circulation***

207. Save as otherwise expressly provided in the Act to be passed at a meeting of the Board and subject to Section 175 of the Act or Applicable Laws, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, at their addresses registered with the Company in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and has been approved by a majority of the Directors or members as are entitled to vote on the resolution.

Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a Board Meeting.

Provided further that where the resolution has been put to vote at a Board Meeting, the consent or dissent of the Directors obtained by way of resolution by circulation shall be rendered void and given effect to.

***Acts of Board / Committee valid notwithstanding formal appointment***

208. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained or in these Articles, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

***Minutes of proceedings of meeting of Board***

209. The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept in such form by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act or Applicable Laws.
210. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting.
211. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise, if the minutes are kept in physical form.
212. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
213. Where the meeting of the Board takes place through electronic mode, the minutes shall disclose the particulars of the Directors who attended the meeting through such means. The draft minutes of the meeting shall be circulated among all the Directors within fifteen days of the meeting either in writing or in electronic mode as may be decided by the Board and/or in accordance with Applicable Laws.
214. Every Director who attended the meeting, whether personally or through electronic mode, shall confirm or give his comments in writing, if any, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.
215. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
216. The minutes shall also contain:
  - 216.1. The names of the Directors present at the meeting; and
  - 216.2. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
217. Nothing contained in these Articles shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairperson of the meeting:
  - 217.1. is, or could reasonably be regarded as defamatory of any person.
  - 217.2. is irrelevant or immaterial to the proceedings; or
  - 217.3. is detrimental to the interest of the Company.
218. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.
219. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
220. Any Director of the Company may requisition for physical inspection of the Board Meeting minutes in accordance with the Applicable Law.

### ***Powers of Board***

221. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act and Applicable Law made thereunder, or any other Act, or by the Memorandum, or by these Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act and the Applicable Law made thereunder, or any other 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 regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
222. The Board may subject to Section 186 of the Act and provisions of Applicable Law made thereunder shall by means of unanimous resolution passed at meeting of Board from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.

### ***Restriction on powers of Board***

223. The Board of Directors shall exercise the following powers subject to the approval of Company by a Special Resolution:
- 223.1. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;
- 223.2. to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- 223.3. to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share Capital and free-reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business;
- 223.4. to remit, or give time for the repayment of, any debt due from a Director.

### ***Contribution to charitable and other funds***

224. The Board of Directors of a Company may contribute to bona fide charitable and other funds. A prior permission of the Company in general meeting by way of ordinary resolution shall be required for if the aggregate of such contributions in a financial year exceeds 5 % (five percent) of its average net profits for the three immediately preceding financial years

### ***Absolute powers of Board in certain cases***

225. Without prejudice to the general powers conferred by Section 179(3) of the Act or Applicable Laws and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles or the Applicable Law, it is hereby declared that the Directors shall have the following powers; that is to say, power:
- 225.1. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- 225.2. To pay any interest lawfully payable under the provisions of Section 40 of the Act.
- 225.3. To act jointly and severally in all on any of the powers conferred on them.

- 225.4. To appoint and nominate any Person(s) to act as proxy for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- 225.5. To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- 225.6. To make, vary and repeal bye-laws for regulation of business of the Company and duties of officers and servants.
- 225.7. Subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- 225.8. Subject to the provisions of the Act and Applicable Laws, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in Shares, bonds, Debentures, mortgages, or other securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- 225.9. To secure the fulfilment of any contracts or engagement 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 Company being or in such manner as they may think fit;
- 225.10. To accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- 225.11. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of Debenture or Debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).
- 225.12. To open and deal with current account, overdraft accounts with any bank/banks for carrying on any business of the Company.
- 225.13. To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- 225.14. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.
- 225.15. To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same.;
- 225.16. To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents;



- 225.17. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- 225.18. Subject to the provisions of Sections 179 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- 225.19. To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- 225.20. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- 225.21. Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- 225.22. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit;
- 225.23. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- 225.24. Before recommending any Dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve into such special Funds as the Board

may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture stock, and without being bound to keep the same, separate from the other assets, and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

- 225.25. Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- 225.26. To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with;
- 225.27. Subject to applicable provisions of the Act and Applicable Law, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively.
- 225.28. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such local boards and to fix their remuneration.
- 225.29. Subject to Section 179 & 180 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorize the Members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- 225.30. At any time and from time to time by power of attorney under the Seal, if any, of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Presents and excluding the powers to make calls and excluding also, except in their limits authorized by the Board, the power to make loans and borrow money') 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 favor of the members or any of the Members of any Local Board, established as aforesaid or in favor of any Company, or the Shareholders, Directors, nominees or managers of any Company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

225.31. Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

225.32. Subject to the provisions of the Act, the Board may pay such remuneration to Chairperson / Vice Chairperson of the Board upon such conditions as they may think fit.

225.33. To take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks.

225.34. To take insurance on behalf of its managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any officer or employee of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

## **MANAGING DIRECTOR**

### ***Board may appoint Managing Director(s)***

226. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director(s) of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of these Articles the Board may by resolution vest in such Managing Director(s) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.

227. Subject to the Article above, the powers conferred on the Managing Director shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Director shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.

### ***Restriction on Management***

228. The Board of Directors may, subject to Section 179 of the Act, entrust to and confer upon a Managing or whole time Director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

### ***Remuneration to Managing Directors/ Whole time Directors***

229. A Managing or whole time Director may be paid such remuneration, whether by way of monthly payment, or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act, as the Board of Directors may determine.

## **POWER TO AUTHENTICATE DOCUMENTS**

230. Subject to the Applicable Law, any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records, documents and accounts relating to the business of the Company and

to certify copies or extracts thereof; and where any books, records documents or accounts are then, at the office, the local manager or other officer of the Company having the custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.

231. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the preceding Article shall be conclusive evidence in favor of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be that extract is a true and accurate records of a duly constituted meeting of the Directors.

#### **THE SEAL**

232. The Board may, in its absolute discretion, adopt a common seal for the Company.
233. The Board shall provide for the safe custody of the Seal, if adopted and shall have the power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India.
234. The Seal of the Company, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of such Directors or such other person as the Board may specify/appoint for the purpose; and the Director.

#### **MANAGEMENT OUTSIDE INDIA AND OTHER MATTERS**

235. Subject to the provisions of the Act, the following shall have effect:
- 235.1. The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- 235.2. Subject to the provisions of the Act, the Board may at any time establish any local Directorate for managing any of the Delegation. affairs of the Company outside India, and may appoint any person to be member of any such local Directorate or any manager or agents and may fix their remuneration and, save as provided in the Act, the Board may at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board and such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and annual or vary any such delegations.
- 235.3. The Board may, at any time and from time to time by power of attorney under Seal, if any, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those which may be delegated by the Board under the Act and for such period and subject to such conditions as the Board may, from time to time, thinks fit, and such appointments may, if the Board thinks fit, be made in favor of the members or any of members of any local Directorate established as aforesaid, or in favor of the Company or of the members, Directors, nominees or officers of the Company or firm or In favor of any fluctuating body of 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 attorneys as the Board thinks fit.

- 235.4. Any such delegate or Attorney as aforesaid may be authorized by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 235.5. The Company may exercise the power conferred by the Act with regard to having an Official seat for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Member or Debenture holders residents in any such state or country and the Board may, from time to time make such regulations not being inconsistent with the provisions of the Act, and the Board may, from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of the local law and shall In any case comply with the provisions of the Act.

## **DIVIDENDS AND RESERVE**

### ***Division of profits***

236. The profits of the Company, subject to any special rights as to dividends or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid-up on the Shares held by them respectively.

### ***The Company in general meeting may declare a Dividend***

237. The Company in general meeting may declare dividends to be paid to members according to their respective rights, but no Dividend shall exceed the amount recommended by the Board; the Company in general meeting may, however declare a smaller Dividend. No Dividend shall bear interest against the Company.

### ***Dividend only to be paid out of profits***

238. Subject to the provisions of the Act, the Dividend can be declared and paid only out of:
- 238.1. Profits of the financial year, after providing depreciation;
  - 238.2. Accumulated profits of the earlier years, after providing for depreciation;
  - 238.3. Out of monies provided by Central or State Government for payment of Dividend in pursuance of a guarantee given by the Government.
239. If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of the Act, or against both.

### ***Transfer to reserve***

240. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for 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.
241. Such reserve, being free reserve, may also be used to declare dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and

Applicable Law made in that behalf. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

***Interim Dividend***

242. Subject to the provisions of Section 123 of the Act and Applicable Law, 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.

***Calls in advance not to carry rights to participate in profits***

243. Where Capital is paid in advance of calls such Capital may carry interest but shall not in respect thereof confer a right to Dividend or participate in profits.

***Payment of pro rata Dividend***

244. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any Share is issued on terms providing that it shall rank for Dividend as from a particular date such Share shall rank for Dividend accordingly.

***Deduction of money owed to the Company***

245. The Board may deduct from any Dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

***Rights to Dividend where shares transferred***

246. A transfer of Share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

***Dividend to be kept in abeyance***

247. The Board may retain the dividends payable in relation to such Shares in respect of which any person is entitled to become a Member by virtue of transmission or transfer of Shares and in accordance sub-Section (5) of Section 123 of the Act or Applicable Law. The Board may also retain dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

***Notice of Dividend***

248. Notice of any Dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.

***Manner of paying Dividend***

249. Subject to the Applicable Law, any Dividend, interest or other monies payable in cash in respect of shares may be paid by any electronic mode to the shareholder entitled to the payment of the Dividend, or by way of cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

250. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any Dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the Dividend by any other means.

### ***Receipts for Dividends***

251. Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.

### ***Non-forfeiture of unclaimed Dividend***

252. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

## **ACCOUNTS**

### ***Directors to keep true accounts***

253. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.
254. Where the Board decides to keep all or any of the Books of Account at any place in India other than the registered office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
255. The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
256. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its registered office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.
257. The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

### ***Preparation of revised financial statements or Boards' Report***

258. Subject to the provisions of Section 131 of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

### ***Places of keeping accounts***

259. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.
260. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

## **AUDIT**

### ***Auditors to be appointed***

261. Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.
262. Subject to the provisions of Section 139 of the Act and Applicable Laws made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years, subject to ratification by members at every annual general meeting. Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

### ***Remuneration of Auditors***

263. The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

## **DOCUMENTS AND NOTICES**

### ***Service of documents and notice***

264. A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any electronic transmission, as prescribed in Section 20 of the Act and Applicable Law made thereunder.
265. Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so, service of the documents or notice 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 in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

### ***Notice to whom served in case of joint shareholders***

266. A document or notice may be served or given by the Company on or given to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the Share.

### ***Notice to be served to representative***

267. A document or notice may be served or given by the Company on or to the persons entitled to a Share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.



### ***Service of notice of General Meetings***

268. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member, (b) every Director of the Company and (c) the Auditor(s) for the time being of the Company.

### ***Members bound by notice***

269. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such shares, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.

### ***Documents or notice to be signed***

270. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorized by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

## **WINDING UP**

271. Subject to the provisions of the Act and Applicable Law:

271.1. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, but subject to the rights attached to any preference ShareCapital, divide among the contributories in specie any 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 as the Liquidator, with the like sanction shall think fit.

271.2. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

271.3. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **BONAFIDE EXERCISE OF MEMBERSHIP RIGHTS**

272. Every Member and other Security holder will use rights of such Member/ Security holder as conferred by Applicable Law or these Articles bonafide, in best interest of the Company or for protection of any of the proprietary interest of such Member/security holder, and not for extraneous, vexatious or frivolous purposes. The Board shall have the right to take appropriate measures, and in case of persistent abuse of powers, expulsion of such Member or other Security holder, in case any Member/Security holder abusively makes use of any powers for extraneous, vexatious or frivolous purposes

## **INDEMNITY**

273. For the purpose of this Article, the following expressions shall have the meanings respectively assigned below:

273.1. “**Claims**” means all claims for fine, penalty, amount paid in a proceeding for compounding or immunity proceeding, actions, prosecutions, and proceedings, whether civil, criminal or regulatory;

273.2. “**Indemnified Person**” shall mean any Director, officer or employee of the Company, as determined by the Board, who in bonafide pursuit of duties or functions or of honest and reasonable discharge any functions as a Director, officer or employees, has or suffers any Claims or Losses, or against whom any Claims or Losses are claimed or threatened;

273.3. “**Losses**” means any losses, damages, cost and expense, penalties, liabilities, compensation or other awards, or any settlement thereof, or the monetary equivalent of a non-monetary suffering, arising in connection with any Claim;

### ***Indemnification***

274. Where Board determines that any Director, officer or employee of the Company should be an Indemnified Person herein, the Company shall, to the fullest extent and without prejudice to any other indemnity to which the Indemnified Person may otherwise be entitled, protect, indemnify and hold the Indemnified Person harmless in respect of all Claims and Losses, arising out of, or in connection with, the actual or purported exercise of, or failure to exercise, any of the Indemnified Person’s powers, duties or responsibilities as a Director or officer of the Company or of any of its subsidiaries, together with all reasonable costs and expenses (including legal and professional fees).

275. The Company shall further indemnify the Indemnified Person and hold him harmless on an ‘as incurred’ basis against all legal and other costs, charges and expenses reasonably incurred in defending Claims including, without limitation, Claims brought by, or at the request of, the Company and any investigation into the affairs of the Company by any judicial, governmental, regulatory or other body.

276. The indemnity herein shall be deemed not to provide for, or entitle the Indemnified Person to, any indemnification against:

276.1. Any liability incurred by the Indemnified Person to the Company due to breach of trust, breach of any statutory or contractual duty, fraud or personal offence of the Indemnified Person;

276.2. Any liability arising due to any benefit wrongly availed by the Indemnified Person;

276.3. Any liability on account of any wrongful information or misrepresentation done by the Indemnified Person

277. The Indemnified Person shall continue to be indemnified under the terms of the indemnities in this Deed notwithstanding that he may have ceased to be a Director or officer of the Company or of any of its subsidiaries.

### **SECRECY**

278. Every manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge In the discharge of his duties except when required to do so by the

Directors or by any general meeting or by the law of the country and except so far as maybe necessary in order to comply with any of the provisions in these Presents and the provisions of the Act.

279. Subject to the provisions of these Articles and the Act, no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail 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 of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interest of the Company to communicate.

## 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 and also the documents for inspection referred to hereunder, may be inspected on working days between 10.00 a.m. to 5.00 p.m. at the Registered Office of our Company located at 69-70, First Floor, Deep Complex, Court Road, Amritsar-143001, Punjab, India from date of filing the Prospectus with RoC till the Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.*

#### Material Contracts

- 1) Memorandum of Understanding dated August 13, 2022 between our Company and the Lead Manager to the Issue.
- 2) Registrar Agreement dated August 01, 2022 between our Company and the Registrar to the Issue.
- 3) Underwriting Agreement dated [●] between our Company and Lead Manager.
- 4) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- 5) Tripartite agreement among the NSDL, our Company and the Registrar to the Issue dated December 23, 2020.
- 6) Tripartite agreement among the CDSL, our Company and the Registrar to the Issue dated January 04, 2021.
- 7) Escrow Agreement dated [●] signed between our Company, the Lead Manager, Banker(s) to the Issue/ Escrow Collection Bank(s) and the Registrar to the Issue.

#### Material Documents

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Certified true copy of resolution passed at the meeting of the Board of Directors of our Company dated June 08, 2022, authorizing the Fresh Issue of Equity Shares.
- 3) Certified true copy of special resolution of the shareholders passed at the Annual General Meeting dated July 06, 2022, authorizing the Fresh Issue of Equity Shares.
- 4) Certified true copy of resolution passed dated July 06, 2022 passed at AGM, appointing Mrs. Rajni Mahajan as the Managing Director and Mr. Manan Mahajan as Whole Time Director cum CFO.
- 5) Scheme of Amalgamation of Midland Services Limited with our Company pursuant to Sections 230 to 232 of the Companies Act, 2013 alongwith the Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended, under a scheme of arrangement and amalgamation which was approved by the National Company Law Tribunal, Chandigarh by its order dated March 17, 2020 vide notice no. NCLT/CHD/Reg/cc/1361.
- 6) Statement of Tax Benefits dated August 18, 2022, issued by Manoj Mahajan & Associates., Chartered Accountants, and Statutory Auditor of our Company.
- 7) Peer Review Auditor's Report dated July 25, 2022 issued by Bharat Gupta & Co., Chartered Accountants, on the Restated Financial Statements for the Financial years ending on March 31, 2022, March 31, 2021 and 2020 of our Company.
- 8) Consents of our Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, the Registrar to the Issue, the Statutory Auditors to the Company, Peer Reviewed Auditor, the Legal Advisor to the Issue, Banker(s) to the Company, Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.

- 9) Copy of approval from BSE vide letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Ltd.
- 10) Due Diligence Certificate dated September 05, 2022 from the Lead Manager to BSE.
- 11) Due Diligence Certificate dated [●] from the Lead Manager to be submitted to SEBI.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that, all the relevant provisions Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations/ guidelines issued by Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013 ( to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/ guidelines issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

### SIGNATURE BY ALL THE DIRECTORS OF OUR COMPANY

<b>Name &amp; Designation</b>	<b>Signature</b>
<b>Mrs. Rajni Mahajan</b> Managing Director DIN No.: 02463524	Sd/-
<b>Mr. Manan Mahajan</b> Whole Time Director DIN No.: 02217914	Sd/-
<b>Mr. Bikram Singh Rana</b> Non-Executive Independent Director DIN No.: 07767074	Sd/-
<b>Mr. Harvinder Singh Dhani</b> Non-Executive Independent Director DIN No.: 02119042	Sd/-
<b>Mr. Naveen Gupta</b> Non-Executive Independent Director DIN No.: 09684403	Sd/-

### SIGNED BY THE CHIEF FINANCIAL OFFICER

<b>Mr. Manan Mahajan</b> PAN: AJSPM2487L	Sd/-
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### SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

<b>Mrs. Gurpreet Kaur</b> PAN: BJVPK4566Q	Sd/-
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**Place: Amritsar**  
**Date: September 05, 2022**