



RED HERRING PROSPECTUS

100% Book Built Issue

Dated: June 16, 2023

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

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



GREENCHEF APPLIANCES LIMITED  
CIN: U29300KA2010PLC054118

Registered Office	Contact Person	Email and Telephone	Website
No. 477 E, IV Phase, Peenya Industrial Area, Bangalore - 560 058, Kanrataka, India.	Aarti Panigrahi, Company Secretary & Compliance Officer	E-mail: <a href="mailto:info@greenchef.in">info@greenchef.in</a> Tel No: +91-80-29564495	<a href="http://www.greenchef.in">www.greenchef.in</a>

PROMOTERS OF THE COMPANY
Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain, Hitesh Kumar Jain and Vikas Kumar Sukhlal Jain HUF

DETAILS OF THE ISSUE			
Type	Fresh Issue	Total Issue Size	Eligibility
Fresh Issue	61,63,200 Equity Shares aggregating to ₹ [•] Lakhs	₹ [•] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(2) AND 253(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 86 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 25 of this Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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


LISTING

The Equity Shares Issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”)

BOOK RUNNING LEAD MANAGER

Name and Logo	Contact Person	Email & Telephone
 HEM SECURITIES LIMITED	Roshni Lahoti	Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Tel. No.: +91 022 49060000

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 LINK INTIME INDIA PRIVATE LIMITED	Shanti Gopalkrishnan	Email: <a href="mailto:greenchef.ipo@linkintime.co.in">greenchef.ipo@linkintime.co.in</a> Tel No: +91 810 811 4949

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: THURSDAY JUNE 22, 2023	BID/ISSUE OPENS ON: FRIDAY, JUNE 23, 2023*	BID/ISSUE CLOSES ON: TUESDAY, JUNE 27, 2023**
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\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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



GREENCHEF APPLIANCES LIMITED  
CIN: U29300KA2010PLC054118


Our Company was originally incorporated as “Greenchef Appliances Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 18, 2010 bearing registration number 054118 issued by the Registrar of Companies, Bangalore, Karnataka and CIN: U29300KA2010PLC054118.

Registered Office: No. 477 E, IV Phase, Peenya Industrial Area, Bangalore - 560 058, Kanrataka, India.

Contact Person: Aarti Panigrahi, Company Secretary & Compliance Officer

Tel No: +91-80-29564495; E-mail: [info@greenchef.in](mailto:info@greenchef.in) ; Website: [www.greenchef.in](http://www.greenchef.in);

Promoters of our Company: Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain, Hitesh Kumar Jain and Vikas Kumar Sukhlal Jain HUF

DETAILS OF THE ISSUE		
INITIAL PUBLIC OFFER OF UPTO 61,63,200 EQUITY SHARES OF FACE VALUE OF RS.10/- EACH (THE "EQUITY SHARES") OF GREENCHEF APPLIANCES LIMITED (“OUR COMPANY” OR “GREENCHEF” OR “THE ISSUER”) AT AN ISSUE PRICE OF RS. [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS(“PUBLIC ISSUE”) OUT OF WHICH 3,12,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 58,51,200 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.48% AND 25.14% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.		
THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND BANGALORE EDITION OF UDAYAKALA, A REGIONAL NEWSPAPER (KANNADA BEING THE REGIONAL LANGUAGE OF BANGALORE WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE (“NSE EMERGE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE		
In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.		
The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “ <i>Issue Procedure</i> ” beginning on page 292 of this Red Herring Prospectus.		
ELIGIBLE INVESTORS		
For details in relation to Eligible Investors, please refer to section titled “ <i>Issue Procedure</i> ” beginning on page 292 of this Red Herring Prospectus.		
RISK IN RELATION TO THE FIRST ISSUE		
The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “ <i>Basis for Issue Price</i> ” on page 86 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.		
GENERAL RISKS		
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section “ <i>Risk Factors</i> ” beginning on page 25 of this Red Herring Prospectus.		
ISSUER’S ABSOLUTE RESPONSIBILITY		
The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.		
LISTING		
The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. (“NSE”)		
BOOK RUNNING LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE
		
<b>HEM SECURITIES LIMITED</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India <b>Tel. No.:</b> +91- 022- 49060000; <b>Fax No.:</b> +91- 022- 22625991 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person :</b> Roshni Lahoti <b>SEBI Regn. No.</b> INM000010981		<b>LINK INTIME INDIA PRIVATE LIMITED</b> Address: C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India. Tel No.: +91 810 811 4949 Fax: +91 22 4918 6191 Email: <a href="mailto:greenchef.ipo@linkintime.co.in">greenchef.ipo@linkintime.co.in</a> Contact Person: Shanti Gopalkrishnan Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> SEBI Registration Number: INR000004058
ISSUE PROGRAMME		
<b>ANCHOR PORTION ISSUE OPENS/CLOSES ON: THURSDAY JUNE 22, 2023</b>	<b>BID/ISSUE OPENS ON: FRIDAY, JUNE 23, 2023*</b>	<b>BID/ISSUE CLOSES ON: TUESDAY, JUNE 27, 2023**</b>

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

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

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## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time, 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 Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992(“SCRA”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in the sections “Statement of Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 94, 195 and 320 respectively, shall have the meaning ascribed to such terms in such sections.*

#### **General Terms**

<b>Terms</b>	<b>Description</b>
“Greenchef”, “the Company”, “our Company”, “Issuer” and “Greenchef Appliances Limited”	Greenchef Appliances Limited, a Company incorporated in India under the Companies Act, 1956 having its registered office at No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560 058, Karnataka, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

#### **Company related and Conventional terms**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 173 of this Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s Patel Shah And Joshi, Chartered Accountants (Firm Registration No. 107768W)
Banker to our Company	Canara Bank
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ <b>Our Management</b> ” beginning on page 173 of this Red Herring Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Abhay Jain.
CIN	Corporate Identification Number being U29300KA2010PLC054118.
Companies Act / Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Aarti Panigrahi (M. No.: A58081)
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified. For details of our Directors, see “ <b>Our Management</b> ” on page 173 of this Red Herring Prospectus.
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DP ID	Depository’s Participant’s Identity Number
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.

Term	Description
Equity Shares	Equity Shares of the Company of Face Value of Rs. 10/- each unless otherwise specified in the context thereof.
Executive Directors	An Executive Director of our Company, as appointed from time to time.
Factory Unit 1	No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560 058, Karnataka, India
Factory Unit 2	Plot No 246, Sompura I Stage Industrial Area In Niduvana Village, Sompura, Hobli, Nelamangala Taluk, Bengaluru – 562 111, Karnataka, India
Factory Unit 3	Plot No 30 - A, Sy No. 63, Dobbaspeta 1st Phase Industrial Area, Yedehally Village, Sompura Hobli, Nelamangala Taluk, Bengaluru Rural – 562 111, Karnataka, India
Factory Unit 4	Khasra No.423, Villag Nariyal, Near Sector-4, Parwanoo – 173 220, Himachal Pradesh, India
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
GIR Number	General Index Registry Number
Group Company	Such Companies as are included in the Chapter titled <b>“Our Group Companies”</b> beginning on page 266 of this Red Herring Prospectus
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details, see section titled <b>“Our Management”</b> on page 173 of this Red Herring Prospectus.
ISIN	International Securities Identification Number. In this case being INE007P01015
IT Act	The Income Tax Act, 1961 as amended till date.
Joint CFO	The Joint Chief Financial Officer of our Company being Bharathi.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled <b>“Our Management”</b> on page 173 of this Red Herring Prospectus.
LLP	Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008.
Materiality Policy	The policy adopted by our Board on January 04, 2023 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Greenchef Appliances Limited as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled <b>“Our Management”</b> beginning on page 173 of this Red Herring Prospectus.
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled <b>“Our Management”</b> on page 173 of this Red Herring Prospectus.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act , 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e. Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain, Hitesh Kumar Jain and Vikas Kumar Sukhlal Jain HUF. For further details, please refer to section titled <b>“Our Promoters &amp; Promoter Group”</b> beginning on page 189 of this Red Herring Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section <b>“Our Promoters and Promoter Group”</b> beginning on page 189 of this Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our	The Registered Office of our Company situated at NO. 477 E, IV Phase, Peenya Industrial

Term	Description
Company	Area, Bangalore – 560 058, Karnataka, India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Statements	The Restated Financial statements of our Company comprising of the Restated Standalone Statement of Assets and Liabilities as at December 31, 2022 and Restated Consolidated Statement of Assets and Liabilities as at March 31 2022, March 31 2021 and March 31 2020, the Restated Standalone Statement of Profit & Loss for the period ended on December 31, 2022 and Restated Consolidated Statement of Profit & Loss for the year ended on March 31 2022, March 31 2021 and March 31 2020 and the Restated Standalone Cash Flows Statements for the period ended December 31, 2022 and the Restated Consolidated Cash Flows Statements for the year ended March 31 2022, March 31 2021 and March 31 2020 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Registrar of Companies, Karnataka
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled <b><i>"Our Management"</i></b> beginning on page 173 of this Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Shareholders	Shareholders of our Company from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA being Sukhlal Jain, Uttamchand, Badrilal Jain, Vinod Kumar Jain, Vikas Kumar Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vishal Uttamchand.

### **Issue Related Terms**

Terms	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	A successful applicant to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers.

Terms	Description
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of the Red Herring Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Red Herring Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited
Banker to the Issue Agreement	Agreement dated June 15, 2023 entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the issue and which is described in the chapter titled “ <b>Issue Procedure</b> ” beginning on page 292 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Bangalore Edition of Regional newspaper Udayakala where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids,



Terms	Description
	which shall be notified in in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Bangalore Edition of Regional newspaper Udayakala where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant 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 i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA



Terms	Description
	Accounts to the Public Issue Account and/ or unblocked in terms of the Red Herring Prospectus
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Hem Finlease Private Limited
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant 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> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	National Stock Exchange of India Limited ("NSE Emerge")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated March 23, 2023 filed with NSE Emerge.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by

Terms	Description
	SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018.
Issue Agreement	The Issue Agreement dated March 18, 2023 and addendum to the issue agreement dated June 15, 2023 between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue/Public size/Initial Public Offering/ IPO	The initial public offer of up to 61,63,200 Equity Shares aggregating up to ₹ [●] lakhs.
Issue Closing Date	The date after which the Lead Manager, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations, 2018. In this case being June 27, 2023
Issue Opening Date	The date on which the Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations, 2018. In this case being June 23, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being Rs. [●] per Equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled <b>“Objects of the Issue”</b> beginning on page 77 of this Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, Hem Finlease Private Limited is the sole Market Maker.
Market Making Agreement	The Market Making Agreement dated June 15, 2023 between our Company, Lead Manager and Market Maker, Hem Finlease Private Limited
Market Maker Reservation Portion	The reserved portion of 3,12,000 Equity Shares of Rs. 10 each at an Issue price of Rs. [●] each is aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 58,51,200 equity Shares of Rs.10/- each at a price of Rs. [●] per Equity Share (the “Issue Price”), including a share premium of Rs. [●] per equity share aggregating to Rs. [●] Lacs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled <b>“Objects of the Issue”</b> beginning on page 77 of this Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of 8,78,400 Equity Shares, which shall be available for allocation on a proportionate basis to Non Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions

Terms	Description
	irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, <i>inter alia</i> , the Issue Price will be determined before filing the Prospectus with RoC
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 29,23,200 Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Link Intime India Private Limited.
Registrar Agreement	The agreement dated March 21, 2023 and addendum to the Registrar Agreement dated June 15, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.

<b>Terms</b>	<b>Description</b>
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of 20,49,600 Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Applications or any previous Revision Form(s).
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 issued by SEBI.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (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.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <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.
SME Exchange	SME Platform of the NSE i.e. NSE Emerge.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated June 15, 2023 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited
Systemically Important Non-	Systemically important non-banking financial company as defined under Regulation

Terms	Description
Banking Financial Company	2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	Hem Securities Limited
Underwriting Agreement	The Agreement June 15, 2023 entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account.
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### **Technical and Industry Related Terms**

Term	Description
ABS	Acrylonitrile Butadiene Styrene
C&F	Carrying and Forwarding
CRM	Customer Relationship Management
CSC	Common Service Centre
LPG	Liquid Petroleum Gas
OEM	Original Equipment Manufacturer
ISI	Indian Standards Institution
CB Switch	Circuit Breaker Switch
GRS	Gasket Release System

Term	Description
PP Plastic	Polypropylene Plastic
MS	Mild Steel
PCB	Printed Circuit Board
PTFE	Polytetrafluoroethylene
HTR	High Temperature Reactor

### **Abbreviations**

Abbreviation	Full Form
(₹) / Rs./ Rupees / INR	Indian Rupees
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
Approx	Approximately
B. Com	Bachelor of Commerce
B.E.	Bachelor of Engineering
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, along with the relevant rules made thereunder as amended.
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CMA/ICWA	Cost and Works Accountant
C.P.C.	Code of Civil Procedure, 1908
CS	Company Secretary
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
EGM /EOGM	Extraordinary General Meeting
EMI	Equated Monthly Installment
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan

Abbreviation	Full Form
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	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.
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FTA	Foreign Trade Agreement.
FV	Face Value
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FY/ Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FZ-LLC	Free Zone Limited Liability Company
GoI/Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HSL	Hem Securities Limited
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ICWAI	The Institute of Cost Accountants of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
ISIN	International Securities Identification Number
IST	Indian Standard Time
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
KMP	Key Managerial Personnel
LLC	Limited Liability Company
LM	Lead Manager
LLP	Limited Liability Partnership
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. B. A	Master of Business Administration
MCA	Ministry of Corporate Affairs, Government of India
M. Sc	Master of Science



Abbreviation	Full Form
Mn	Million
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NCT	National Capital Territory
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPV	Net Present Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price/Earnings Ratio
PF	Provident Fund
PLR	Prime Lending Rate
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified syndicate Banks
SEBI	Securities and Exchange Board of India
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
UIN	Unique Identification Number
UK	United Kingdom
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.

Abbreviation	Full Form
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act 1996 and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

### **Certain Conventions**

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

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

### **Use of Financial Data**

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and Lakhs. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our restated financial statements prepared for the stub period ended on December 31, 2022 and financial year ended March 31 2022, 2021 and 2020 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled ***“Financial Information of the Company”*** beginning on page 195 of this Red Herring Prospectus.

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

Any percentage amounts, as set forth in ***“Risk Factors”***, ***“Our Business”***, ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Auditor, set out in section titled ***“Financial Information of the Company”*** beginning on page 195 of this Red Herring Prospectus. There are no subsidiaries of our Company as on date of the Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

For additional definitions used in this Red Herring Prospectus, see the section ***“Definitions and Abbreviations”*** on page 1 of this Red Herring Prospectus. In the section titled ***“Main Provisions of the Articles of Association”***, on page 320 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled ‘Indian Kitchen Appliances Industry’ dated March 22, 2023 prepared by CARE Advisory Research & Training Ltd (***“CareEdge Report”***) which was appointed by our Company and has been exclusively commissioned and paid for by our Company in connection with the Issue. CARE Advisory Research & Training Ltd is an independent agency and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Red Herring Prospectus. For risks in relation to commissioned reports, see ***“Risk Factors – 57. Industry information included in this Red Herring Prospectus has been derived from an industry report issued by CARE Advisory Research & Training Ltd dated March 22, 2023 (“CareEdge Report”). There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate*** on page 44.

### **Disclaimer of CareEdge Report:**

*“This report is prepared by CARE Advisory Research and Training Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research’s proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to*

*enter into any transaction in this industry or sector in any manner whatsoever. This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.*

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Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. Although the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLM, or any of their respective affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section ‘**Risk Factors**’ on page 25. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

The extent to which the market and industry data used in this Red Herring 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, “**Basis for Issue Price**”, beginning on page 86 includes information relating to our peer group companies. Such information has been derived from publicly available sources. No investment decision should be made solely on the basis of such information.

### **Currency of Financial Presentation**

All references to “Rupees” or “INR” or “₹” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “**Industry Overview**” throughout the Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**”, “**Management's Discussion and Analysis of Financial Conditions and Results of Operations**” on page 25, 96 and 242 of this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **FORWARD LOOKING STATEMENTS**

This Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in consumer demand and preferences;
- Failure to successfully upgrade our product portfolio, from time to time;
- Any change in government policies resulting in increases in taxes payable by us;
- Our ability to retain our key managements persons and other employees;
- Changes in laws and regulations that apply to the industries in which we operate.
- Our failure to keep pace with rapid changes in technology;
- Our ability to grow our business;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- General economic, political and other risks that are out of our control;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company’s ability to successfully implement its growth strategy and expansion plans;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- Concentration of ownership among our Promoters;
- The performance of the financial markets in India and globally;
- Shortage of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply market;

For further discussion of factors that could cause our actual results to differ, see the Section titled **“Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”** beginning on page 25, 96 and 242 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the LM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## **SECTION II – SUMMARY OF RED HERRING PROSPECTUS**

### **A. OVERVIEW OF BUSINESS**

We are engaged in the business of manufacturing and marketing of wide range of kitchen appliances under the brand name of Greenchef. Our kitchen appliances include wide range of value for money solutions comprising of Gas Stoves, Pressure Cookers, Mixer Grinders, Wet Grinders, Electric Rice Cooker, Induction Cooktops, Non-stick cookwares like: Tawa, Fry Pan, Kadai, Biryani Pot, Tadka Pan, Paniyarakkal, Appamchetty etc, Kettles, Hose Pipes, Gas Cylinder Trolley and Spin Mop. Further our company is also engaged in marketing of appliances like: Chimney, Stainless Steel Utensils, Blenders, Vegetable Chopper, Silicon Gasket, Water Bottles, Fans, Iron etc.

### **B. OVERVIEW OF INDUSTRY**

The kitchen appliances industry in India is expected to grow at a CAGR of 8.7% during the period of 2022-2026 in terms of volumes. This industry is expected to grow due to increased technological advancements, cost and energy efficiency, leading to improved product awareness and a rise in demand from the tier-II and tier-III cities. This market has been growing well for the past few years and is expected to grow further based on the increasing consumer consumption trends and the rise in per capita income. Several stores were shut for several months during the COVID-19 lockdowns, resulting in a major drop in demand for kitchen home appliances.

### **C. PROMOTERS**

Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain, Hitesh Kumar Jain and Vikas Kumar Sukhlal Jain HUF.

### **D. DETAILS OF THE ISSUE**

(₹ In Lakhs)

Issue <sup>(1)</sup>	Issue of upto 61,63,200 Equity Shares aggregating upto Rs. [●]
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(1) The Issue has been authorized by our Board pursuant to resolution passed on February 15, 2023 and the Issue has been authorized by our Shareholders pursuant to a resolution passed on February 17, 2023.

### **E. OBJECTS OF THE ISSUE**

Our Company intends to utilize the Proceeds of the Issue to meet the following objects:-

(₹ In Lakhs)

Sr. No.	Particulars	Amount
1.	Funding Capital Expenditure towards installation of additional plant and machinery.	514.76
2.	Funding Capital Expenditure towards construction of factory building	2500.00
3.	Funding of working capital requirement	1,000
4.	General Corporate Purpose	[●]
	Total	[●]

### **F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

Our Promoters and Promoter Group collectively hold 1,71,08,640 Equity shares of our Company aggregating to 100 % of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Red Herring Prospectus: -

(₹ In Lakhs)

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1.	Sukhlal Jain	1,44,000	0.84	1,44,000	0.62%
2.	Praveen Kumar Sukhlal Jain	2,04,480	1.20	2,04,480	0.88%
3.	Vikas Kumar Sukhlal Jain	2,97,600	1.74	2,97,600	1.28%
4.	Hitesh Kumar Jain	48,000	0.28	48,000	0.21%
5.	Vikas Kumar Sukhlal Jain HUF	1,26,60,000	74.00	1,26,60,000	54.40%
	<b>Promoter Group</b>				
1.	Uttam Chand Jain	3,61,200	2.11	3,61,200	1.55%

2.	Badrilal Jain	1,87,200	1.09	1,87,200	0.80%
3.	Vinod Kumar Jain	50,880	0.30	50,880	0.22%
4.	Vishal Uttam Chand Jain	1,80,480	1.05	1,80,480	0.78%
5.	Kavitha Jain	2,19,000	1.28	2,19,000	0.94%
6.	Mamatha Jain	52,200	0.31	52,200	0.22%
7.	Anju Jain	1,68,000	0.98	1,68,000	0.72%
8.	Ashok Kumar HUF	1,92,000	1.12	1,92,000	0.83%
9.	Badrilal Jain HUF	4,32,000	2.53	4,32,000	1.86%
10.	Goutham Jain	96,000	0.56	96,000	0.41%
11.	Neeta Jain	1,92,000	1.12	1,92,000	0.83%
12.	Nirmala Jain	2,11,200	1.23	2,11,200	0.91%
13.	Praveen Kumar Sukhlal Jain HUF	1,79,400	1.05	1,79,400	0.77%
14.	Savitha Jain	1,62,000	0.95	1,62,000	0.70%
15.	Sukhlal Jain HUF	4,08,000	2.38	4,08,000	1.75%
16.	Uttam Chand Jain HUF	4,08,000	2.38	4,08,000	1.75%
17.	Vinod Kumar Jain HUF	2,55,000	1.49	2,55,000	1.10%
	<b>Total</b>	<b>1,71,08,640</b>	<b>100.00</b>	<b>1,71,08,640</b>	<b>73.52%</b>

## G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the stub period ended on December 31, 2022 and financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020: -

(₹ in Lakhs)

Particulars	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
	Standalone	Consolidated	Consolidated	Consolidated
Equity Share Capital	356.43	356.43	356.43	356.43
Net worth	6062.39	5170.68	5,093.27	4,854.57
Total Income	25,633.47	33,704.52	23,929.33	23,807.17
Profit after tax	1,021.55	82.09	257.10	117.26
Earnings per Share	5.97	0.45	1.47	0.65
Net Asset Value per Share (Based on Weighted Average Number of Shares)	35.43	30.22	30.79	29.43
Total Borrowings	6027.47	6682.81	5182.39	3916.06

## H. AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the restated financial statements.

## I. SUMMARY OF OUTSTANDING LITIGATIONS

Our Company and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments.

*Litigations involving our Company:-*

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<b>Against the Company</b>		
Other Pending Litigation	1	11.45
Taxation Liabilities (Direct Tax Cases)	5	3.97
Taxation Liabilities (Indirect Tax Cases)	3	84.36
<b>Filed by the Company</b>		
Criminal Proceedings	12	85.07
Other Pending Litigation	2	35.04
Taxation Liabilities (Direct Tax Cases)	1	Unascertainable*

\*to the extent quantifiable

*Litigations involving Promoters and Directors:-*



Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<b>Vikas Kumar Sukhlal Jain</b>		
<b>Against the Directors</b>		
Criminal Proceedings	1	unascertainable
Taxation Liabilities (Direct Tax)	1	3.84
<b>Filed by the Directors</b>		
Other Pending Litigation	1	56.39

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this red herring prospectus

## J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled **“Risk Factors”** beginning on page 25 of this Red Herring Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

The details of contingent liabilities as at December 31, 2022 is set forth in the below table:

(₹ in Lakhs)

Particulars	As at			
	31-12-2022	31-03-2022	31-03-2021	31-03-2020
Contingent liabilities in respect of:				
In Respect of legal matter involving indirect taxes	84.36	84.36	19.96	9.36
In respect of Bank Guarantee issued by company	130.00	130.00	130.00	130.00
In respect of TDS & Income Tax matters	3.97	3.85	3.47	3.47
<b>Total</b>	<b>218.33</b>	<b>218.21</b>	<b>153.43</b>	<b>142.83</b>

For further details, please refer to Note Y – Contingent Liabilities of the chapter titled **“Financial Information of the Company”** on page 195 of this Red Herring Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the stub period ended on December 31, 2022 and the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020:-

### RELATED PARTY DISCLOSURE

The details of related party transactions of our Company for nine-month period ended December 31, 2022 and the fiscal years ended March 31, 2022, 2021 and 2020 are set forth in the table below:

#### 1. List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr. No.	Name of the Person / Entity	Relation
1	Sukhlal Jain	Chairman and whole time Director
2	Nirmala Devi	Director (Ceased to be director w.e.f June 30,2021)
3	Praveen Kumar Sukhlal Jain	Managing Director
4	Neeta Jain	Director (Ceased to be director w.e.f June 30,2021)
5	Kavitha Kumari	Additional Non-Executive Director
6	Vikas Kumar Sukhlal Jain	Whole time Director
7	Hitesh Kumar Jain	Whole time Director
8	Ashok Kumar Jain	Director (Ceased to be director w.e.f Jan 15,2022)
9	Manju Jain	Director (Ceased to be director w.e.f June 24,2021)

10	Pooja Jain	Director (Ceased to be director w.e.f June 30,2021)
11	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain)	Proprietor is Promoter of the company
12	Ganga Consumer Durables Ltd	Common Directors
13	Subhash Distributors Limited	Common Directors
14	Subhashini Biz Ventures Private Limited	Common Directors
15	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain HUF)	Proprietor is Promoter of the company
16	Greenchef Manufacturers and Distributors Private Limited	Common Directors (ceased to be Subsidiary w.e.f November 15, 2022)
17	Vikas Kumar Sukhlal Jain HUF	Substantial Holding of Shares
18	Mamtha Jain	Shareholder ( Promoter Group)
19	Bharathi H S	Joint CFO
20	Abhay Jain	CFO
21	Sukhlal Ashok Kumar Jain	Proprietor is Director of Company
22	Sunder Enterprises	Partner is Director of the company

(Rs. In Lakhs)

Sr. No.	Name	Nature of Transaction	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
			Standalone	Consolidated	Consolidated	Consolidated
1	Sukhlal Jain	Remuneration	18.00	20.00	-	-
		Loan Accepted	-	9.50	10.50	9.00
		Loan Repaid	-	1.00	8.50	1.00
		Interest Payment	7.62	12.76	12.54	13.54
		Closing Balance (Cr.)	175.37	168.52	160.00	158.00
2	Nirmala Devi	Loan Accepted	-	9.50	13.75	35.25
		Loan Repaid	-	1.00	4.00	5.00
		Interest Payment	7.29	12.20	11.61	12.01
		Closing Balance (Cr.)	167.81	161.25	152.75	143.00
3	Praveen Kumar Sukhlal Jain	Remuneration	18.00	26.00	33.00	36.00
		Loan Accepted	-	116.50	64.00	50.00
		Loan Repaid	108.08	21.59	11.50	33.00
		Interest Payment	10.70	17.62	15.18	14.33
		Closing Balance (Cr.)	222.95	321.41	226.50	174.02
4	Neeta Jain	Loan Accepted	-	-	3.50	6.65
		Loan Repaid	-	-	-	50.00
		Interest Payment	3.53	6.24	5.96	6.67
		Closing Balance (Cr.)	81.17	78.00	78.00	74.50
5	Kavitha Kumari	Loan Accepted	38.75	13.50	16.50	18.00
		Loan Repaid	40.00	3.00	8.50	15.00
		Interest Payment	7.45	13.32	12.70	13.73
		Closing Balance (Cr.)	182.95	177.50	167.00	159.00
6	Vikas Kumar Sukhlal Jain	Remuneration	18.00	22.00	-	-
		Loan Accepted	461.95	9.25	109.25	529.00
		Loan Repaid	257.50	652.75	-	683.33
		Interest Payment	6.23	46.07	44.66	81.85
		Closing Balance (Cr.)	210.06	-	643.50	534.25
7	Hitesh Kumar Jain	Remuneration	16.00	-	-	-
		Loan Accepted	67.00	29.00	15.50	90.50
		Loan Repaid	6.90	6.00	6.00	2.00
		Interest Payment	13.28	17.63	16.98	15.21
		Closing Balance (Cr.)	319.55	247.50	224.50	215.53
8	Ashok kumar Jain	Loan Accepted	-	-	3.50	50.00
		Loan Repaid	-	53.50	-	-
		Interest Payment	-	2.78	4.00	3.91
		Closing Balance (Cr.)	-	-	53.50	50.00
9	<b>Manju Jain</b>	Loan Accepted	-	-	12.50	171.00

Sr. No.	Name	Nature of Transaction	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
			Standalone	Consolidated	Consolidated	Consolidated
		Loan Repaid	3.50	4.00	-	2.00
		Interest Payment	7.92	14.30	13.52	10.71
		Closing Balance (Cr.)	181.12	177.50	181.50	169.00
10	Pooja Jain	Loan Accepted	-	8.50	8.50	23.00
		Loan Repaid	2.50	2.50	1.50	1.50
		Interest Payment	5.69	9.59	9.15	8.33
		Closing Balance (Cr.)	130.12	127.50	121.50	114.50
11	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain)	Purchase	-	1,503.40	4,929.04	3,646.57
		Sales	0.03	132.88	1,753.90	952.20
		Purchase of property, plant & equipment	2.36	420.13	6.28	-
		Job Work	-	5.00	4.78	-
		Expenses	72.00	144.50	0.30	-
		Closing Balance (Dr.)	9.80	(55.54)	515.29	(598.01)
12	Ganga Consumer Durables Ltd.	Purchase	-	0.12	3.46	8.93
		Sales	2.21	0.85	20.42	107.31
		Expenses	-	0.09	0.17	-
		Closing Balance (Dr.)	-	(0.02)	0.01	34.96
13	Subhash Distributors Limited	Purchase	3,753.76	221.88	0.13	-
		Sales	405.58	-	3.13	0.15
		Expenses	-	0.73	-	-
		Loan Accepted	50.00	927.00	560.00	1,025.00
		Loan Repaid	950.00	477.00	710.00	425.00
		Interest Payment	-	28.22	45.17	28.92
		Closing Balance (Cr.)	1,588.63	1,122.01	449.77	598.40
14	Subhashini Biz Ventures Private Limited	Closing Balance (Dr.)	-	-	-	0.31
15	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain HUF)	Purchase	-	-	-	222.94
		Sales	-	-	-	0.52
		Loan Accepted	-	-	98.40	-
		Loan Repaid	-	2.40	9.90	-
		Closing Balance (Cr.)	85.48	89.40	91.80	0.64
16	Vikas Kumar Sukhlal Jain HUF	Loan Accepted	-	-	-	170.00
		Loan Repaid	-	-	-	170.00
17	Mamtha Jain	Loan Accepted	-	-	-	50.00
		Loan Repaid	-	-	-	50.00
18	Bharathi H S	Remuneration	10.47	10.53	6.90	7.44
		Advance paid	6.00	-	-	-
		Advance Received back	2.00	-	-	-
		Advance Received	-	5.00	10.00	-
		Advance Repaid	-	15.00	-	-
		Closing Balance (Dr.) (advance)	4.00	-	(10.00)	-
19	Abhay Jain	Remuneration	10.64	10.58	6.68	6.95
		Advance paid	-	5.00	-	-
		Advance Received back	-	-	0.80	1.20
		Closing Balance (Dr.) (advance)	6.00	6.00	1.00	1.80
20	Sunder Enterprises	Purchase	50.07	29.91	36.56	21.56
		Sales	625.98	672.45	443.05	471.24
		Expenses	40.78	55.42	7.64	28.88
		Closing Balance (Dr.)	147.39	110.41	105.79	105.96

Sr. No.	Name	Nature of Transaction	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
			Standalone	Consolidated	Consolidated	Consolidated
21	Sukhlal Ashok Kumar Jain	Sales	2.84	-	-	-
		Closing Balance (Dr.)	-	-	-	-
22	Greenchef Manufacturers and Distributors Private Limited	Advance paid	0.79	-	2.35	-
		Expenses	-	1.06	-	-
		Rent paid	6.08	9.00	9.00	-
		Closing Balance (Dr.)	5.53	10.81	17.85	(3.58)

For further details, please refer to the *Note ZA – Related Party Disclosures* of chapter titled “*Financial Information of the Company*” on page 227 of this Red Herring Prospectus.

#### M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Red Herring Prospectus.

#### N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

Sr. No.	Name of Promoters	Total No. of Equity Shares	Weighted Average Price* (in ₹ per equity share)
1.	Sukhlal Jain	1,14,000	Nil
2.	Praveen Kumar Sukhlal Jain	1,61,880	Nil
3.	Vikas Kumar Sukhlal Jain	2,35,600	Nil
4.	Hitesh Kumar Jain	38,000	Nil
5.	Vikas Kumar Sukhlal Jain HUF	1,00,22,500	Nil

\*Except for the bonus issue of shares, which has been made by our Company on February 20, 2023, our Promoters have not acquired/been allotted any Equity Shares in the one year immediately preceding the date of this RHP and accordingly due to bonus issue of shares, the weighted average price is Nil.

#### O. AVERAGE COST OF ACQUISITION OF SHARES

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Sukhlal Jain	1,44,000	8.33
2.	Praveen Kumar Sukhlal Jain	2,04,480	19.07
3.	Vikas Kumar Sukhlal Jain	2,97,600	0.52
4.	Hitesh Kumar Jain	48,000	10.42
5.	Vikas Kumar Sukhlal Jain HUF	1,26,60,000	19.52

#### P. DETAILS PRE IPO-PLACEMENT

Our Company is not considering any pre-IPO placement of equity shares of the Company.

#### Q. ISSUE OF EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
February 20, 2023	1,35,44,340	10/-	Nil	Bonus issue of Shares in ratio of	Capitalization of Reserves & Surplus*	Sukhlal Jain	1,14,000
						Uttam Chand Jain	2,85,950
						Badrilal Jain	1,48,200

				19:5		Vinod Jain	40,280
						Vikas Kumar Sukhlal Jain	2,35,600
						Praveen Kumar Sukhalal Jain	1,61,880
						Vishal Kumar Jain	1,42,880
						Hitesh Kumar Jain	38,000
						Kavitha Kumari	1,73,375
						Mamatha Jain	41,325
						Anju Jain	1,33,000
						Ashok Kumar Jain HUF	1,52,000
						Badrilal Jain HUF	3,42,000
						Goutham Jain	76,000
						Neeta Jain	1,52,000
						Nirmala Devi	1,67,200
						Praveen Kumar Sukhalal Jain HUF	1,42,025
						Savitha Jain	1,28,250
						Sukhlal Jain HUF	3,23,000
						Uttam Chand Jain HUF	3,23,000
						Vikas Kumar Sukhlal Jain HUF	1,00,22,500
						Vinod Jain HUF	2,01,875
						<b>Total</b>	<b>1,35,44,340</b>

*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.*

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

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of this Red Herring Prospectus.

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

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

### **SECTION III: RISK FACTORS**

*An investment in our Equity Shares involves financial risk. Prospective investors should carefully consider all the information in the Red Herring Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 195, 96 and 242 respectively of this Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

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

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

#### **Materiality**

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

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

#### **Note:**

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

*In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 25 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 242 of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Restated Financial Statements”.*

#### **INTERNAL RISK**

- 1. We operate in highly competitive markets, and the scale and resources of some of our competitors may allow them to compete more effectively than we can, which could result in a loss of our market share and a decrease in our net revenues and profitability.***

The kitchen appliance industry is highly fragmented as there is competition from various domestic and international players. There are some of the big multinational brands like Haier, Bosch and Midea who are in competition to the domestic players. These domestic players include both - organised and unorganised players. The growth trajectory in kitchen appliances industry has encouraged new entrants to enter into this industry with new business models. In such highly competitive environment, to gain more market share the players are likely to reduce the pricing which is a challenge for the existing players. (Source: CareEdge Report).

We face intense competition from other retailers that market products similar to ours. We also face regional competition from local brands in the various geographies where our products are sold. We compete in various aspects, including brand recognition, value for money, user experience, breadth of product and service offerings, product functionality and quality, sales and distribution, supply chain management, customer loyalty, and talents, among others. Intensified competition may result in pricing pressures and reduced profitability and may impede our ability to achieve sustainable growth in our revenues or cause us to lose market share. Our competitors may also engage in aggressive and negative marketing or public relations strategies which may harm our reputation and increase our marketing expenses. Any of these events could substantially harm our results of operations.

Some of our existing and potential competitors enjoy substantial competitive advantages, including: longer operating history, the capability to leverage their sales efforts and marketing expenditures across a broader portfolio of products, more established relationships with a larger number of suppliers, contract manufacturers and channel partners, access to larger and broader user bases, greater brand recognition, greater financial, research and development, marketing, distribution and other resources, more resources to make investments and acquisitions, larger intellectual property portfolios, and the ability to bundle competitive offerings with other products and services. We cannot assure you that we will compete with them successfully.

**2. *Our future success depends on our ability to promote our brand and protect our reputation. Our failure to establish and promote our brand and any damage to our reputation will hinder our growth.***

We believe that the market perception of our brands is one of the key factors for the sustained demand of our products amongst consumers. We engage in a wide range of marketing and advertising activities, including in-shop displays, banners & hoardings like: advertisements on flex boards, mdf display boards, backlit boards, glow sign boards, ACP boards, flange glowing boards etc, social media marketing, arch installations, road show marketing, advertisements in theatres, newspapers, TV channels, bus shelter branding, try cycle campaign etc which enable us to maintain the popularity and recall the brand value. We also maintain an in-house team of 164 sales and marketing personnel who continuously engage with various publications and advertisement agencies. We believe our strategy to enhance our brand recognition is crucial to our future success. We have invested, and will need to continue to dedicate, significant time, efforts and resources to advertising and market promotion initiatives. Our marketing/advertising expenses were Rs 517.10 lakhs, Rs 967.69 lakhs, Rs 512.71 lakhs and Rs 660.29 lakhs respectively for the period ended December 31, 2022 and Fiscal Year 2022, 2021, 2020, representing 2.03%, 2.88%, 2.15% and 2.78% respectively of our total revenue from operations. We may need to devote an even greater portion of our resources to continue to strengthen our brand recognition and build our user base, which may impact our profitability. We cannot guarantee that our marketing efforts will ultimately be successful, as it is affected by numerous factors, including the effectiveness of our marketing campaigns, our ability to provide consistent, high quality products and services, consumers' satisfaction with our products, as well as supports and services we provide, among others.

We list our products on various e-commerce websites and our customers are increasingly using such platforms to provide feedback and information about products, in a manner that can be quickly and broadly disseminated. Our brands could be damaged by any negative publicity on social media platforms or by claims or perceptions about the quality or safety of the products sold, regardless of whether such claims or perceptions are true. Any such negative publicity related to our brand, products, manufacturing malfunction, suppliers, distributors could have an adverse impact on our brand, which may negatively affect our business and can significantly reduce our brand value and consumer trust.

We believe that a large part of the success of our brands is attributable to the after sales services provided by our service technicians and, authorized service providers and any deficiency in such after sales services may adversely impact the reputation of our brands. Further, we may not be able to collect customer feedback in an adequate or frequent manner, or implement it effectively to improve our products and services, which may adversely impact the development of products in the future for new product and market segments.

**3. *If we fail to successfully develop and commercialize new products, services and technologies that are well received by consumers in a timely manner, our operating results may be materially and adversely affected.***

The Indian Government has taken several initiatives to augment the growth of the kitchen appliances sector. Some of these initiatives are Make in India Initiative, Pradhan Mantri Ujjwala Yojana (PMUY), Deen Dayal Upadhyaya Gram Jyoti Yojana, Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Saubhagya Scheme – Rural Electrification, National Policy on Electronics Policy. These initiatives and policies are expected to augment the growth of kitchen appliance sector. (Source: CareEdge Report). Our ability to compete successfully depends in large part on our ability to continue to introduce new and innovative products, services and technologies that are well received by consumers and in a timely manner, and in turn, grow our household user base.



Our ability to roll out new and innovative products and services depends on a number of factors, including significant investments in research and development, quality control of our products and services and effective management of our supply chain. The execution of such initiatives can be complex and costly. As such, we could experience delays in completing the development and introduction of new products, services and technologies in the future. We may need to devote an even greater portion of our resources to the research and development of new or enhanced products, services and technologies, which may adversely affect our profitability. In addition, our research and development efforts may not yield the benefits we expect to achieve in a timely manner, or at all. To the extent we are unable to execute our strategy of continuously introducing new and innovative products, diversifying our product portfolio and satisfying consumers' changing preferences, we may not be able to grow our household user base and our competitive position.

Further our expansion into new product categories and scenarios, and substantial increases in product lines may expose us to new challenges and more risks. Our potential lack of familiarity with new products and scenarios and the lack of relevant customer data relating to these products may make it more difficult for us to anticipate user demand and preferences. Our new products may turn out to be mutually disruptive and may cause an interruption to our business as a result.

We may misjudge market demand, resulting in inventory build-up and possible inventory write-downs. We may not be able to effectively control our costs and expenses in rolling out these new product categories and scenarios. We may have certain quality issues and experience higher return rates on new products, receive more customer complaints and face costly product liability claims, such as injury allegedly or actually caused by our products, which would harm our brand and reputation as well as our financial performance.

Furthermore, we may need to price our new products more aggressively to penetrate new markets, and gain market share or remain competitive. It may be difficult for us to achieve profitability in the new product categories and our profit margin, if any, may be lower than we anticipate, which would adversely affect our overall profitability and results of operations.

**4. *We are highly dependent on certain key customers for a substantial portion of our revenues. Loss of relationship with any of these customers may have a material adverse effect on our profitability and results of operations.***

We depend on certain customers who have contributed to a substantial portion of our total revenues. Our top 10 customers accounted, cumulatively, for 36.24%, 26.56%, 28.91% and 32.24% of our revenue from operations for the nine months period ended on December 31, 2022 and in Fiscals 2022, 2021 and 2020 respectively. There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers.

Reliance on a limited number of customers for significant revenue may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers, failure to renegotiate favourable terms with our key customers, the loss of these customers entirely, our inability to meet the expectations to track the changing preferences of our customers or non-acceptance of our products by customers, all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. In order to retain some of our existing customers we may also be required to accept terms to such customers which we may place restraints on our resources.

Maintaining strong relationships with our key customers is, therefore, essential to sustain the growth of our business. The loss of any key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any consequent loss.

**5. *We are susceptible to supply shortages and interruptions, long lead times, and price fluctuations for raw materials and components, any of which could disrupt our supply chain and have a material adverse impact on our results of operations.***

Our product portfolio includes various product categories and product lines. Mass production of our products requires timely and adequate supply of various types of raw materials and components. Some of the major components and all the raw materials used to produce our products are sourced from third-party suppliers and some of these components and raw materials are sourced from a limited number of suppliers or a single supplier as well. Therefore, we are subject to risks of shortages or discontinuation in supply, long lead times, cost increases and quality control issues with our suppliers. In addition, some of our suppliers may have more established relationships with our competitors, and as a result of these relationships, such suppliers may choose to limit or terminate their relationships with us or prioritize our competitors' orders in the case of supply shortages. The quality of our products is primarily derived from the quality of our raw materials, and any deterioration in the quality of raw materials supplied to us will have an adverse effect on the quality of our products, market reputation and sales volumes. There can be no guarantee that we will be able to maintain our current line-up of suppliers or adequate supply of such raw materials at all times. Our top 10 suppliers for the stub period ended

on December 31, 2022 and Fiscals 2022, 2021 and 2020 accounted for 43.62%, 32.46%, 54.41% and 39% of our purchases for raw materials and stock in trade for respective years.

The major raw materials required in manufacturing activities include metals like aluminium, steel and copper. The prices of these raw materials are volatile and subject to fluctuations arising from changes in domestic and international supply and demand dynamics, labour costs, competition, market speculation, and government regulations. Rapid changes in the prices of such raw materials may affect the production price and consequently the market price of these products. While some materials like steel or plastics are common to many product types, others are mainly associated with very specific products and functionalities. The year 2021-22 provided many challenges. The second wave of the pandemic and the resultant lock-down disrupted operations and dampened market sentiment. The Russia- Ukraine war led to supply chain imbalances and a surge in prices of fuels, raw materials and commodities. Prices of inputs such as steel, aluminium, have also spiked at its peak due to the ongoing geopolitical tensions. Though, the commodity prices have softened now but players continue to hike price to recover earlier surges in raw materials. Nonetheless, with the prices of inputs such as steel, aluminium, declining gradually, the industry's profitability is expected to improve going forward. But the industry still faces the threat of spiraling inflation and increasing financing rates (Source: CareEdge Report)

Moreover we also import components like: Toughened Glass, Gas Cock / Gas Valve, PCB, sensors, heating coil, heating plate, Lever Assembly, Heating Element, Temperature Controller, Connecting Wire, Clamp, glass lid etc. In the event of a discontinuation or closure of the foreign suppliers for these components, we may not be able to source identical ones from local sources which may lead to increase in production costs and consequently affect the pricing of our products.

For the period ended on December 31, 2022 and for the Fiscal 2022, 2021 and 2020 the raw material consumption constitutes 52.22%, 56.21%, 55.11% and 41.09% of our revenue from operations. We may be unable to pass the entire impact of the rise in the prices of raw materials to our customers, which may result in lower profit margins for our business. Further, any increase in the selling price of our products may adversely impact the demand for our products, our sales and consequently our profit margins. In the event of a component or raw material shortage or supply interruption from suppliers, we will need to identify alternative sources of supply, which can be time-consuming, difficult to locate, and costly. We may not be able to source these components or raw materials on terms that are acceptable to us, or at all, which may undermine our ability to meet our production requirements or to fill customer orders in a timely manner. This could cause delays in shipment of our products, harm our relationships with our customers and adversely affect our results of operations.

- 6. *We are significantly dependent on the sale of our two product verticals viz: Gas Stoves and Pressure Cookers. An inability to anticipate or adapt to evolving upgradation of these products or inability to ensure product quality or reduction in the demand of these products may adversely impact our revenue from operations and growth prospects.***

Our financial performance is significantly dependent on the sale of our two product verticals viz: Gas Stoves and Pressure Cookers. For the stub period ended on December 31, 2022 and Fiscals 2022, 2021 and 2020 our revenue from sales of Gas Stoves represented 36.72%, 41.63%, 36.56% and 41.65% of our revenue from operations respectively and that from the sale of Pressure Cookers represented 18.29%, 14.06%, 12.09% and 11.18% of our revenue from operations respectively. Amongst our competitors, we are hold 5.44% market share in the Gas Stove product category and 2.08% market share in the Pressure Cooker product category (Source: CareEdge Report). We cannot assure you that we will increase our market share in the future for these products. Demand for these products depends primarily on our ability to maintain and upgrade our product quality and features, consumer preferences and market trends. In addition, our company must successfully compete with our competitors offering similar products. We may not be able to introduce new product that are in faster-growing and more profitable categories. Any of these factors could have a material adverse impact on our financial condition and the results of operations. We cannot assure you that we will be able to maintain historic levels of business from such significant appliances, or that we will be able to significantly reduce our dependence on such limited number of appliances in the future. We may also be required to invest in updated technology and processes to develop upgraded product having the desired specification, qualities and characteristics, and continually monitor and adapt to evolving demand in the industry.

- 7. *The markets in which we compete are characterized by consumers and their rapidly changing preferences, advancement in technology and therefore as a result our Company may be affected by any disruptions in the industry.***

We are engaged in manufacturing of kitchen appliances that is majorly used by the household consumers other than its commercial applications. Thus the markets in which we compete are characterized by changing consumer preferences, rapidly changing technology, evolving industry standards and continuous improvements in products and services. These conditions frequently result in short product life cycles. If the end-user demand is low for our products, we may see significant changes in orders from our customers and may experience greater pricing pressures. If technologies or standards supported by us become obsolete or fail to gain widespread commercial acceptance, we may experience a

reduced demand for our products which may result in a decline in sales and in operating margins depending on the nature of the product and the end user demand and all of these combined may gradually result in a loss to our Business.

**8. *Our business may be adversely impacted by product defects and liability issues which may adversely affect our business, reputation and results of operations.***

Product defects can occur throughout the designing or manufacturing processes or as a result of our reliance on third parties for components raw materials or job work. Any product defects or any other failure of our products or substandard product quality could harm our reputation and result in adverse publicity, lost revenues, delivery delays, product recalls, adverse relationships with distributors or C&F agents, product liability claims, administrative penalties, harm to our brand and reputation, significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects. While the warranty cost fluctuates every year, which is based on current events and actions, our warranty costs may exceed our estimates, resulting in increase of current period expenses.

Such quality issues may result in customers returning defective products to us for a cash refund or a replacement of their products during the warranty period of the products. Under our contracts with our distributors, in certain scenarios where there are numbers of products returned by end-consumers to the distributor, we may be required to buy back the remaining quantity of products at the predetermined price as per the contract. We cannot assure you that the rate and cost of us providing refunds or replacements will not increase in the future. Increases in the rate of product returns may lead to customer dissatisfaction, which may adversely affect our reputation, brand image, business and financial condition.

Disputes over warranties of our products can arise in the ordinary course of our business. In extreme situations, we may be exposed to various liabilities relating to potential personal injuries as a result of misuse or quality defects of the products we sell. We may experience material product liability losses, and we may be unable to defend these claims at a contained level of cost or at all. The cost of product replacements or product returns in the future may be substantial, particularly given our increasing product categories and models, and we could incur substantial costs to implement modifications or to fix defects in our products

Moreover, since our products combine hardware and electrical components, any glitches in such electrical components may intervene and disrupt our efforts to integrate our products in consumers' lifestyles. Any failure or defects that a consumer experiences in one product, can affect the other product lines and hamper our image. As a result, we may be impeding our business prospectus, results of operations and financial condition could be adversely affected.

**9. *We are heavily reliant on our relationships with certain online marketplaces and offline distributors. Disruptions to such relationships, changes in their business practices, their failure to meet payment schedules and provide timely and accurate information, or conflicts among our channels of distribution could adversely affect our business, cash flows and results of operations.***

We are reliant on online market places through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Bigbasket and Amazon Seller Services Private Limited for the sale of our products, and also have an extensive offline sales channel comprised of around 450 distributors with presence in 22 states and 3 union territories in India as of December 31, 2022. For the period ended on December 31, 2022 and for the Fiscal 2022, 2021 and 2020 our online sales from e-commerce platform constituted 18.91%, 16.19%, 8.87% and 1.24% of our revenue from operations respectively. For a few customers, under our terms and conditions with them, we are obligated to re-purchase or provide additional price support on products that are unsold after a certain period of time. We are also developing our revenue from sales to few modern retail chains such as DMART, Reliance Retail Limited, StarBazaar and for the period ended on December 31, 2022 and Fiscal 2022, 2021 and 2020 our revenue from these retail chains were Rs 275.26 lakhs, Rs 145.74 lakhs, Rs 5.77 lakhs and Rs 191.99 lakhs respectively.

We have not entered into long-term agreements with our distributors. Further, our distributors may unilaterally terminate their existing agreements with us at short notice, thereby adversely affecting our offline distribution network and consequently, our business, cash flows and results of operations may be affected.

We monitor the prices at which the online marketplaces sell our products to customers and which our distributors sell our products to retailers and in turn by retailers to customers. For instance, pursuant to our agreements with certain online marketplaces, we mutually agree on price ranges and discounts (wherever applicable) at which they are obligated to retail our products. We also have a dedicated resource monitor that monitors the prices of our products on the online marketplaces. This is to ensure that our products are not sold at a larger discount than that permitted by us. Such policies may impact inventory levels maintained by online marketplaces, our distributors or retailers. If our competitors offer online marketplaces, distributors and retailers more favourable terms or have more products available to meet their needs or utilize the leverage of broader product lines to be sold through them, these distributors and retailers may de-emphasize

or decline to distribute our products. Further, we cannot assure you that we will be able to secure promotions on online marketplaces, and our inability to do so may affect our brand visibility on these online marketplaces.

Purchase orders made by online marketplaces, distributors and retailers may also be amended or cancelled prior to finalization. Further, they have the right to verify and determine whether the products supplied by us are in accordance with the specifications stated in purchase orders. In the event the products are not as per the specifications of the purchase orders, the customers or distributors may reject the entire consignment at the time of the delivery. We are also responsible for collecting the damaged or defective products. In addition, the online retail channels of online marketplaces may be disrupted due to technological disruptions. Should such amendments, cancellations or disruptions occur, it may adversely impact our production schedules and inventories. Further, most of our distributors are not contractually bound to provide us with a specific volume of business and can terminate our relationship with or without cause, with little or no advance notice and without compensation. In addition, in certain possible scenarios, the online marketplaces or distributors may have the right to return the products to us, and in certain situations where there are a high number of returns, we may be required to re-purchase the entire quantity of products at the original price we sold them for. For certain of such contracts, the contract may be terminated by the relevant online marketplace, distributor or the retail chains if there are delays in the delivery of our products.

The online and the offline marketplaces could change their business practices, such as inventory levels, or seek to modify their contractual terms, such as payment terms. Due to temporary changes in the operations of our customers, we may experience delays in collecting payments from such parties. We may face the pressure to modify our trading terms if our customers are unable or unwilling to continue our distribution model.

We intend to maintain or further develop our existing relationships with our customers and continue to jointly promote our brands and products on their platforms. Due to increased collaboration and information sharing, such arrangements could render us more susceptible to the risks stated above. In order to expand the sales volume of our products, it is essential that we continue to expand the density as well as the geographical reach of our existing distribution network and ensure that our products reach every market segment and customer base. If we are unable to continue to expand our distribution network, our business, cash flows and results of operations may suffer.

***10. We may not be able to optimally utilise our backward integration to enhance and support our business which may affect our operations, reputation and profitability.***

We have the ability to manufacture some of the components in house for manufacturing our products. We believe the backward integration of our manufacturing facilities has reduced our dependence on third party suppliers for such components resulting greater control on the manufacturing process. Backward integration also provides upper edge in designing of products, enhanced quality of products and customer retention capability. We strive to manage captive manufacturing and assembly, quality testing, packaging and logistics support. In line with our focus to provide diversified products solutions and to develop better control on our supply chain and improve our margins, we intend to further focus on backward integration at our manufacturing facilities. Should there be any disruptions or malfunctions at any of our facilities as a result of which the components required for manufacturing the end products are not available on time, we may have to procure such components from third party suppliers which may not be available at short notice in the volume required by us, within the timelines required by us or at the rates favourable to us which may have an adverse effect on our profitability and results of operations. Such failure to procure quality components on time may also harm our reputation and cause us to lose market share.

***11. Expansion into new geographic regions and markets may subject us to various challenges.***

We intend to increase the sales and distribution of our products across India. At present, our maximum revenue is generated from southern region. For the period ended on December 31, 2022 and Fiscal 2022, 2021 and 2020 the revenue from top ten states constitutes 85.61%, 80.46%, 85.05% and 91.92% respectively of our total revenue from operations. We have limited experience and knowledge of operating in other states outside of southern India, and our foray into new geographies or into new products in the existing geographies may be subject to high barriers to entry including existing competition, local laws and market dynamics.

Further, we may not be able to effectively assess the level of promotional marketing required in a particular state, and the recognition of our brands and products in such states may not be in the manner or to the extent anticipated by us. Our expansion into new geographies may also be challenging on account of our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and the lack of brand recognition and reputation in such regions. We may also encounter other additional anticipated risks and significant competition in such markets.

**12. As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.**

Continued growth of our business and household user base requires us to expand our product portfolio, strengthen our brand recognition, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and technologies, secure more space for our expanding workforce, and devote other resources to our business expansions, among others. As we continue to grow, managing our business will become more complicated as we develop a wider product and service mix, some of which we may have less experience in. In addition, as we increase our product and service offerings, we will need to work with a larger number of business partners and maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of our products range, customer base and manufacturing capacities, and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition. We intend to continue expansion of our product range, including expanding operations towards backward integration in our manufacturing facilities to pursue existing and potential market opportunities.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected. We have experienced certain operating/ distribution/ manufacturing difficulties in the past in ramping up certain production/ delivery/ in a timely manner to meet the increasing demand and purchase orders from our customers. As we continue to expand, we may experience similar difficulties if we are unable to manage our growth, which may adversely affect our reputation and results of operations.

**13. Our operating results may fluctuate from period to period which may affect our business and financial condition.**

There is a risk that our operating results may fluctuate. Some of the principal factors affecting our operating results include:

- our customers' sales and future business prospect, purchasing patterns and inventory managements;
- terms and conditions of the arrangements entered into with distributors and C&F agents;
- wide range of products we supply to our customers;
- Pricing pressure from our competitors for similar products.
- our effectiveness in managing manufacturing processes, inventory management, making optimal use of available manufacturing capacity; breakdown, failure, or substandard performance of equipment and our ability to repair them thereby reducing the breakdown, failure, or substandard performance of equipment and our ability to repair them thereby reducing the impact on manufacturing process;
- Changes in demand for our products or change in consumer preferences.
- timing of new technology development and requirement of our capability to upgrade;
- new product introductions and delays in developing the capability to produce new products;
- our ability to obtain financing in a timely manner; and
- Local conditions and events that may affect our production volumes, such as labour conditions and political instability.
- our ability to manage the timing of our component purchases so that components are available when needed for production, while avoiding the risks of purchasing such components in excess of immediate production needs;

The occurrence of any such or other problems could materially and adversely affect our business, financial condition, and results of operation. Thus, it is possible that in some future period our operating results or growth rate may be below the expectations of investors.

**14. We have experienced negative cash flows from operations in the recent past, and we may have negative cash flows in the future.**

Our cash flows from operating activities, investing activities and financing activities for the period ended December 31, 2022 and Fiscal 2022, 2021 and 2020 is set forth below:

(Rs in lakhs)				
Particulars	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Net cash generated from/(used in) operating activities	1,743.38	375.90	(549.01)	(69.32)
Net cash used in investing activities	(957.08)	(1,294.78)	(186.74)	(224.71)

Net cash generated from (used in) financing activities	(833.14)	952.80	819.40	325.94
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Cash flows of a company are a key indicator to show the extent of cash generated from the operations of a company to meet 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 flows, it may adversely affect our business and financial operations.

***15. Pricing pressure from our competitors may affect our ability to maintain or increase our product prices and, in turn, our revenue from product sales, gross margin and profitability, which may materially and adversely affect our business, cash flows, financial condition and results of operations.***

We have uniform pricing across various product categories for all the sales made in India. Competitive pricing by our competitors may manifest in various forms, including, among others, through our competitors lowering their prices for similar products. This may lead to a decrease in our revenues and profits. Moreover, if we fail to follow our retail price stipulations, our brand value and the public perception of our brand positioning could be negatively affected. We may seek to reduce the price of our raw materials and production through negotiations with our suppliers and streamline product designs to offset the impact of pricing pressure. We cannot assure you that we will be able to avoid future pricing pressure from our competitors or offset the impact of any price reductions through improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, or other cost reductions through other productivity initiatives. If we were to face competitive pricing from our competitors, and the aforementioned measures or other steps we take fail to maintain or increase our margins and revenues from product sales, our business, financial condition and results of operations may be adversely affected.

***16. Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing process. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.***

We have our manufacturing facilities located at Bangalore in Karnataka and at Parwanoo in Himachal Pradesh. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe climate conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair breakdown of machinery in a timely manner or at all, our operations may need to be suspended until we procure new machinery to replace the same.

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect on our business, cash flows, financial condition and results of operations.

Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition. Any slowdown or shutdown in our manufacturing operations or underutilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.

Additionally, we rely on certain third-party manufacturers outside India for certain types of products such as chimneys, hobs, irons, water bottles, etc. In the event that there are disruptions in the manufacturing facilities of such third-party manufacturers, it will impact our ability to deliver such products and meet with our commitments. If these products from third-party manufacturers cease to be available to us at costs acceptable to us or if we experience problems with, or interruptions in supply of these products and we are unable to find other facilities to provide similar products on comparable terms and on a timely basis, our operations would be disrupted and our financial condition and results of operations could be affected.

**17. *Our Company has not adequately complied with some provisions of Companies Act, 1956/2013. There are certain Discrepancies /errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.***

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. The Company has not filed certain ROC forms such as Form CHG-1 for creation of vehicle loans taken in the past which inter-alia includes non-compliance of Section 77 of the Companies Act, 2013 and is subject to penalty under section 86 and/or other relevant provision(s) of Companies Act, 2013, as maybe applicable, however all such loans have been repaid as on date of the Red Herring Prospectus. Further our company had accepted loan in non-compliance of provisions of section 73 of Companies Act 2013 in the year 2019-20, however the same was repaid during that year itself. Our Company has failed to comply with provisions of sec 135 of Companies Act, 2013 to spend on CSR expenses during FY 19-20 to FY 21-22, however the respective provisions of CSR as per section 135 of companies Act 2013 is not applicable to the company during FY 22-23. Thereafter pursuant to meeting the threshold limit for Cost Audit our Company failed to appoint the cost auditor and comply with provision of section 148 of the Companies Act, 2013 from FY 2017-18 however the same has now been complied with.

We have also observed some discrepancies in relation to appointment of Directors like: improper resolutions due to clerical errors were attached in e-forms and our independent directors appointed on our board were not registered in the Independent Director's Databank of Indian Institute of Corporate Affairs since it became applicable in the year 2020, however they are currently registered on the same. We have observed some clerical errors in relation to amounts of unsecured loans disclosed in form DPT 3 filed by the company in FY 20-21 and FY 21-22. Further the transfer deeds for transfer of equity shares in the past are not traceable. Although, no show cause notice in respect of the non-compliance has been received by the Company till date, any penalty imposed for such noncompliance in future by the any regulatory authority could affect our financial conditions to that extent. In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business and reputation. Our company has not complied with certain Accounting Standards such as AS-21 and AS-15 however the same have been duly complied by the company in the restated financial statements.

Further, in the past, there have been some instances of delay in statutory filings like GST or PF returns and there is no assurance that such delay may not happen in future. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance or delay in future by any regulatory authority could affect our financial conditions to that extent.

**18. *Our company had not prepared Consolidated Financial Statements in the past with its then Subsidiary Companies, Greenchef Manufacturers and Distributors Private Limited and Modulus Springs Private Limited.***

Our company had not prepared Consolidated Financial Statements in the past with its then Subsidiary companies, Greenchef Manufacturers and Distributors Private Limited and Modulus Springs Private Limited which inter-alia includes noncompliance of Section 129 and 137 of the Companies Act, 2013 and AS-21 as per Indian GAAP. However, our company has now prepared Audited Consolidated financial statements of the company for the FY 21-22, FY 20-21 and FY 19-20 approved by the Board of Directors on March 20, 2023 for the purpose of compilation of the same in the restated financial statements. Further both Greenchef Manufacturers and Distributors Private Limited and Modulus Springs Private Limited cease to be subsidiary of our company as on December 31, 2022. Accordingly we have presented the consolidated financial statements for the Fiscals 2022, 2021 and 2020 in the restated financial statements. While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance as of the date of this Red Herring Prospectus, we cannot assure you that such regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Further the company has initiated corrective measures to comply with Section 129 and 137 of the Companies Act, 2013 by filing form GNL-1 to the ROC.

**19. *We may not be able to adequately protect or continue to use our intellectual property.***

We have registered certain business names, domain names and logos as trademarks under various classes with the Registrar of Trademarks in India, under the Trade Marks Act, 1999. As on the date of this Red Herring Prospectus, we have 30 trademark registrations in India. Further, we have 17 trademark applications in India which have been objected by the trademark registry out of which rectification application has been filed for 1 trademark applications. For details of our intellectual property rights, see ***“Government and Other Statutory Approvals”*** on page 257 of this Red Herring Prospectus. Some of our trademarks have been opposed and there can be no assurance that our trademark applications will be accepted and the trademarks will be registered. Pending the registration of these trademarks, any other vendor in the similar line of business as ours may use the above-mentioned trademarks and we may have a lesser recourse to initiate

legal proceedings to protect our intellectual property. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorised use of such trademarks by third parties, which may adversely affect our goodwill and business.

The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows.

In particular, the use of similar trade names by third parties may result in confusion among our customers, and we are exposed to the risk that entities in India and elsewhere could pass off their products as our products, including imitation products, which may adversely affect sale of our products, resulting in a decrease in market share due to a decrease in demand for our products. Such imitation products may not only result in loss of sales but also adversely affect our reputation and consequently our future sales and results of operations. In the event of such unauthorized use, we may be compelled to pursue legal action for the protection of our brand and intellectual property, which may divert our attention and resources thereby affecting our business operations. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results. For any of these reasons, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property.

We may also be susceptible to claims from third-parties asserting infringement and other related claims. Regardless of their merits, such claims could materially and adversely affect our relationships with current or future customers, result in costly litigation, delay or disrupt supply of products, divert management's attention and resources, subject us to significant liabilities, or require us to cease certain activities. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and cash flows.

**20. *The emergence of modern trade channels in the form of supermarkets and online retailers may adversely affect our pricing ability, and result in temporary loss of retail shelf space and disrupt sales of kitchen appliances, which may have an adverse effect on our results of operations and financial condition.***

India has recently witnessed the emergence of supermarkets and online retailers and the market penetration of large scaled organized retail in India is likely to increase further. While we believe this provides us with an opportunity to improve our supply chain efficiencies and increase the visibility of our brands, it also increases the negotiating position of such stores. We cannot assure you that we will be able to negotiate new distribution agreements or renegotiate our existing distribution agreements, specially our pricing or credit provisions, on terms favourable to us, or at all. Any inability to enter into distribution agreements and on terms favourable to us, may have an adverse effect on our pricing and margins, and consequently adversely affect our results of operations and financial condition.

From time to time, retailers change distribution centers that supply products to some of their retail stores. If a new distribution center has not previously distributed our products in that region, it may take time to get a retailer's distribution center to begin distributing new products in its region. Even if a retailer approves the distribution of products in a new region, product sales may decline while the transition in distribution takes place. If we do not get approval to have our products offered in a new distribution region or if getting this approval takes longer than anticipated, our sales and operating results may suffer.

**21. *Our Company and Directors are involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties/prosecutions and may adversely affect our business and results of operations.***

Our Company and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments.

***Litigations involving our Company:-***

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<b><i>Against the Company</i></b>		
Other Pending Litigation	1	11.45
Taxation Liabilities (Direct Tax Cases)	5	3.97
Taxation Liabilities (Indirect Tax Cases)	3	84.36
<b><i>Filed by the Company</i></b>		



Criminal Proceedings	12	85.07
Other Pending Litigation	2	35.04
Taxation Liabilities (Direct Tax Cases)	1	Unascertainable*

\*to the extent quantifiable

*Litigations involving Promoters and Directors:-*

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<b>Vikas Kumar Sukhlal Jain</b>		
<b>Against the Directors</b>		
Criminal Proceedings	1	unascertainable
Taxation Liabilities (Direct Tax)	1	3.84
<b>Filed by the Directors</b>		
Other Pending Litigation	1	56.39

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this red herring prospectus

For further details, see **“Outstanding Litigation and Material Developments”** beginning on page 253 of this Red Herring Prospectus. Any adverse outcome from adjudication of these pending litigations in the future may have an impact on the Company’s profitability, revenue, operations, etc. If the courts or tribunals rule against our Company or our Promoters and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

**22. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.**

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In particular, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities that by us may contain conditions, some of which could be onerous. Our Company has applied for Fire NOC to the Chief Fire Officer by application dated February 01, 2023 for our factory Unit 1, 2 and 3 situated at Bangalore which is pending for approval. Further our company does not possess NOC for Ground water extraction at these factory units. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see “Government and Other Statutory Approvals” on page 257 of this Red Herring Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be impleaded in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

**23. Our plan relating to construction of new manufacturing facility and installation of additional plant and machinery is subject to the risk of unanticipated delays in implementation and cost overruns.**

We intend to use a part of the Net Proceeds towards (i) construction of factory building at our proposed new manufacturing facility at Plot No. 503, 504 & 505, SY No. 96, Vasanthanarasapura 2<sup>nd</sup> Phase Industrial Area, Yalladadllu Village, Kora Hobli, Tumakuru Taluk, Tumakuru District and (ii) towards installation of additional plant and machinery. For further information, refer **“Objects of the Issue”** on page 77 of this Red Herring Prospectus. Our plan remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our plans include labour shortages, increased cost of construction or manpower, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving

governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed capital expenditure towards construction of new manufacturing facility and installation of additional plant & machinery will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned establishment in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

**24. *Our operating results could be materially harmed if we are unable to accurately forecast consumer demand for our products or manage our inventory.***

We strive to keep optimum inventory with C&F agents and distributors to control our costs and working capital requirements. To maintain an optimal inventory, we monitor our inventory levels based on our projections of demand as well as on a real-time basis. Our distribution model also enables us to fulfil large orders from our distribution centers directly, and replenish our stocks with minimal lead time. Although our manufacturing units are strategically located to serve the requirements in a timely manner. For example; our Pawanoo, Himachal Pradesh facility is focussed on manufacturing of Gas Stoves and hose pipes for which our Company has also entered into marketing agreement with oil companies like: Hindustan Petroleum Corporation Limited, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited. To deliver to the locations at which these oil companies require the products is mostly based in northern region, hence the balance of the inventory can be maintained, but we need to keep a strict check on the requirement. However, unavailability of products, due to high demand or inaccurate forecast, may result in loss of sales and adversely affect our customer relationships. We manage our inventory by constantly monitoring and tracking our current inventory levels, while keeping a small portion of reserve stock, based on our forecast customer demand. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. For example, our inventory level could increase in the third quarter as we prepare for large online sales promotion events due to festive season, and it would be difficult for us to forecast the sales that we may achieve in those events. Inventory levels in excess of customer demand may result in inventory write-offs and the sale of excess inventory at discounted prices, which may cause our gross margin to suffer and could impair the strength of our brand. On the other hand, in the case we experience shortage of products, we may be unable to meet the demand for our products, and our business and operating results could be adversely affected.

Therefore, an inaccurate forecast can also result in an over-supply of products, which may increase inventory costs, negatively impact cash flow, reduce the quality of inventory, shrinkages and ultimately lead to reduction in margins. Further, some of our products can become obsolete in terms of designs, and any inventory that we hold with respect to old designs may not get sold or replaced by our suppliers. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition. During the stub period ended on December 31, 2022 and Fiscal 2022, 2021 and 2020 our inventories were Rs 8,467.01 lakhs, Rs 6,706.40 lakhs, Rs 4,275.89 lakhs, Rs 3,610.27 lakhs. Further, if we fail to convert the inventory we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

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

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our manufacturing facilities, and we have not experienced any such material incidents in the past, there can be no assurance that we will not face such disruptions in the future.

During the manufacturing process, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. The occurrence of any one of the above events may result in us being

named as a defendant in lawsuits asserting claims for substantial damages, including for personal injury and property damage and fines and/or penalties.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. In the event that our Company files a claim under the applicable insurance policy, there is no assurance that we will be able to recover all, or part of the losses incurred.

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

Our Company has entered into various transactions with our Directors, Promoter and Promoter Group members/entities. These transactions, inter-alia includes, issue of shares, remuneration, loans and advances, purchase, sales, rent expenses reimbursement of expenses etc. For details, please refer to **“Note ZA - Related Party Transactions”** under Section titled **“Financial Information of the Company”** and Chapter titled **“Capital Structure”** beginning on page 227 and 63 respectively of this Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution in compliance with provisions of Companies Act, 2013. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**27. We operate our business from rented premises.**

Our registered office and all our manufacturing facilities, through which we operate our business, in Bengaluru and Parwanoo are taken on rent from third parties. Any adverse impact on the title /ownership rights/ development rights of our landlords may adversely affect our operations. Further in the event of non-renewal of these rent or leave and licence agreements, our operations and profitability may be adversely affected. We cannot assure you that we will be able to continue the above arrangement on commercially favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for our manufacturing facilities and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms.

Our company is in process of establishing its own manufacturing unit at Plot No. 503, 504 & 505, SY No. 96, Vasanthanasapura 2<sup>nd</sup> Phase Industrial Area, Yalladadllu Village, Kora Hobli, Tumakuru Taluk, Tumakuru District for which the requisite land is already purchased and the construction of factory building is in process. If we are required to relocate our business operations during this period or in the event of inability or delay in relocating our manufacturing activities to the proposed new manufacturing facility, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For further details, please refer to the chapter titled **‘Our Business’** on page 96 of Red Hearing Prospectus.

**28. The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.**

The fund requirement and deployment, as mentioned in the **“Objects of the Issue”** on page 77 of this Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated on page 77 under chapter **“Objects of the Issue”** is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated on page 77 under chapter **“Objects of the Issue”** will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**29. If we fail to identify and effectively respond to changing consumer preferences and spending patterns in a timely manner, the demand for our products could decrease, causing our business, results of operations, financial condition and cash flows to be adversely affected.**

The kitchen appliances products market is characterized by frequent changes, particularly in consumer preferences, new products and product variations. The popularity and demand of a product may vary over time due to changing consumer preferences, including those relating to sustainability, durability and maintaining cleanliness etc. Consumer preferences in the market are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. Our continued success depends on our ability react in a timely and cost-effective manner to changes in consumer preferences for our products, as well as to where and how consumers shop for those products.

We continually work to enhance the recognition of our brand and products and refine our approach as to how, when and where we market and sell our products using data and technology. While we aim to introduce new products from time to time, we recognize that consumer preferences cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be commercially viable or effective or accepted by our consumers. If we are unable to foresee or respond effectively to the changes in market conditions, new and changing trends or desired consumer preferences, accurately anticipate and forecast demand for products, then there may be a decline in the demand and sales for our products, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

**30. Our Promoter Group Entity, M/s Siddhartha Enterprises was engaged in similar line of business primarily in manufacturing and importing of components for kitchen appliances. Any conflict of interest in future may occur between the business of M/s Siddhartha Enterprises and us which may adversely affect our business, prospects, results of operations and financial condition.**

Our Promoter Group Entity, M/s Siddhartha Enterprises was engaged in similar line of business primarily in manufacturing and importing of components for kitchen appliances. However pursuant to acquisition of all the plant & machinery of M/s Siddhartha Enterprises by our company in FY 21-22 it is currently not manufacturing kitchen appliances. We have not entered into any non-compete agreement with M/s Siddhartha Enterprises. We will endeavour to take adequate steps to address any conflict of interest by adopting the necessary procedures and practices as permitted by applicable law, to address any conflict which may arise in the future. We cannot assure you that our Promoters will not favour the interests of M/s Siddhartha Enterprises over our interests in future or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

**31. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.**

Our Contingent liability as on December 31, 2022 was Rs. 218.33 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

(Amt in Lakhs)

Particulars	31-12-2022
Contingent liabilities in respect of:	
In Respect of legal matter involving indirect taxes	84.36
In respect of Bank Guarantee issued by company	130.00
In respect of TDS & Income Tax matters	3.97
<b>Total</b>	<b>218.33</b>

For more information, regarding our contingent liabilities, please refer “**Note Y**” in chapter titled “**Financial Information of the Company**” beginning on page 195 of this Red Herring Prospectus.

**32. We depend on third party service providers for logistics and some portion of after-sales services.**

We outsource all of our transportation and logistics services, as well as some portion of installation and after-sale services, for our products to third-party service providers. We rely on these outsourcing partners to bring our products to our customers and in some cases, install them for our customers, and provide after-sale services. While these arrangements allow us to focus on our main business, they also reduce our direct control over the logistics and after-sales services provided to our customers. Any failure of our logistics partners to perform may have a material negative impact on the timely delivery of our products and customer satisfaction. In addition, logistics in our primary locations or transit to final destinations may be disrupted for a variety of reasons including, natural and man-made disasters, information technology system failures, commercial disputes, military actions or economic, business, labour, environmental, public health, or

political issues. We may also be unable to pass any increase in logistics costs to our customers. Errors that occur in product installation or product maintenance processes can compromise our products and services, adversely affect customer experience, and harm our business.

**33. *We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory, providing bank guarantees, purchase of raw materials and our development of new products which may be adversely affected by changes in terms of credit and payment. Delays in payment or reduction of advance payments and/or accelerated payments to suppliers, fixed deposits to facilitate bank guarantees to our customers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded. We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations. Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations

**34. *Trade receivables form a major part of our current assets. Failure to manage our trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, 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. During the stub period ended on December 31, 2022 and Fiscal 2022, 2021 and 2020 our trade receivables were Rs 6,780.03 lakhs, Rs 6,476.74 lakhs, Rs 5,986.67 lakhs, Rs 5,894.14 lakhs which constituted 26.61% , 19.29%, 25.05% and 24.81% of our revenue from operations.

**35. *The activities carried out at our manufacturing facilities can cause injury to people or property in certain circumstances.***

The activities carried out at our manufacturing facilities may be potentially dangerous to our employees. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at any of our manufacturing facilities. An accident may result in personal injury to our employees, or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

**36. *If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition***

As of December 31, 2022 our Company had total indebtedness in the form of short term and long term borrowings of ₹... lakhs. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our cash flows to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;
- there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and

Many of our financing agreements also include various conditions and covenants that require us to obtain consent of the lenders prior to carrying out certain activities or entering into certain transactions. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

For further details in this regard, please refer to chapter titled *“Statement of Financial Indebtedness”* beginning on page 238 of this Red Herring Prospectus.

**37. Our Promoter Group Entity has incurred losses in past, any operating losses in the future could adversely affect the results of operations and financial conditions of our group.**

The details of profit and loss of our Promoter Group Entity in the past years are as follows:-

(Amt. in Lakhs)

Group Company	For The Year Ended		
	March 31, 2022	March 31, 2021	March 31, 2020
M/s Siddhartha Enterprises	(139.72)	(280.05)	21.57

Any operating losses by our group entities could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards such entity which could have an adverse affect on our operations and financials.

**38. We may be subject to labour unrest, operating risks, slowdowns, increased wage costs, and shut-downs.**

Our manufacturing activities are labour intensive and consequently our success depends upon maintaining good relations with our workforce. As of December 31, 2022, we had approximately 1400 permanent employees engaged across various operational and business divisions in India. India has stringent labour legislations that protect the interests of workers, including legislation that set forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislations that imposes certain financial obligations on employers upon retrenchment. Our employees are not unionized currently. However, there is no assurance that our employees will not seek unionization in the future. In the event that employees at our manufacturing facilities take any steps to unionise, it may become difficult for us to maintain flexible labour policies, and may increase our costs and adversely affect our business.

Further, our business operations, specifically our processing facilities are subject to certain operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence and natural disasters.

Any strikes or lock-outs, work stoppages, slowdowns, shut downs, supply interruptions or costs or other factors beyond our control, may disrupt our operations and could negatively impact our financial performance or financial condition. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability. There can be no assurance that we will not experience slowdowns or shutdowns in the manner described above, or in any other manner, in the future, for reasons which are beyond our control. Any slowdown or shutdown will adversely impact our results of operations, market share and financial condition.

**39. We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.**

In order to retain flexibility and control costs, our Company appoints independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition and we may also be subject to legal proceedings in this regard. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

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

Modernization and technology up gradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the industry in which we operate, we may be required to implement new technology or upgrade the machineries and other equipment employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

***41. Our Company has taken unsecured loans that may be recalled by the lenders at any time.***

Our Company have availed unsecured loans which may be called by their lenders at any time. As on December 31, 2022 the unsecured loan amounting Rs 1,757.21 lakhs were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also there is no formal agreement with any of our lenders. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled “Statement of Financial Indebtedness” beginning on page 238 of Red Herring Prospectus.

***42. Excessive dependence on Canara Bank Limited in respect of Loan facilities obtained by our Company.***

Our company has been sanctioned credit facilities by Canara Bank Limited. The Company is dependent on such facility for its Term loans, Overdraft facilities and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

***43. Under-utilization of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. During the period ended December 31, 2022 and Fiscal 2022, 2021 and 2020 our overall capacity utilization for manufacturing products like: Gas Stoves were 63%, 77%, 46%, 66% respectively and for Pressure Cooker were 88%, 70%, 53% and 68% respectively. For further information, see “***Our Business - Capacity and Capacity Utilization***” on page 96 of this Red Herring Prospectus. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

***44. We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our promoters, senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with suppliers, third party service providers, customers, regulators and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for product development and manufacturing activities, successful delivery of products and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see “***Our Management***” on page 173 of this Red Herring Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

**45. *We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Issue. Our funding requirements and deployment of the Net Proceeds of the Issue are based on management estimates and quotations from vendors and have not been independently appraised.***

We intend to use the net proceeds of the Issue for the purposes described in the section titled “*Objects of the Issue*” on page 77. The Objects of the Issue and our funding requirement is based on management estimates and quotations received from vendors and have not been appraised by any bank or financial institution. We are yet to place orders for the total capital expenditure which we propose to fund from the Net Proceeds. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Issue and have relied on the quotations received from third parties for estimation of the cost. These are based on current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below.

Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the Net Proceeds of the Issue. Our funding requirements may be subject to change based on various factors such as the timing of completion of the Issue, market conditions outside the control of our Company, and any other business and commercial considerations. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by our Company and by the Shareholders by way of a special resolution, subject to compliance with applicable law.

Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and may have an adverse impact on our business, financial condition, results of operations and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds.

**46. *The average cost of acquisition of Equity Shares by our Promoters, could be lower than the issue price.***

Our Promoters’ average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters “*Capital Structure*” beginning on pages 63 of this Red Herring Prospectus.

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

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

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

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Though we have insurance losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

**49. *Information relating to our installed capacities and the historical capacity utilization of our manufacturing facilities included in this Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.***

Information relating to our installed capacities and the historical capacity utilization of our manufacturing facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing facilities included in this Red Herring Prospectus.



**50. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 194 of the Red Herring Prospectus.

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

Our promoter along with the promoter group will continue to hold collectively upto 73.52 % of the Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder’s vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**52. *Any future issuance of our Equity Shares may dilute prospective investors’ shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

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

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

The offer price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Offer. For further information please refer the section titled “*Basis for Offer Price*” beginning on page 86 of the Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

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

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

- 55. *Our Promoters and Directors have provided personal guarantees for financing facilities availed by our Company and may in the future provide additional guarantees and any failure or default by our Company to repay such facilities in accordance with the terms and conditions of the financing agreements could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters and Directors and thereby, adversely impact our business and operations.***

Our Promoters and Directors have personally guaranteed the repayment of certain loan facilities taken by us. Our Promoters may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Directors may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our guarantors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company.

Furthermore, in the event that our Promoters and Directors withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

- 56. *Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition.***

Our operations generate pollutants and waste, some of which may be hazardous and therefore, we are subject to various laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, disposal of bio-medical waste, storage, transport, handling, disposal, employee exposure to hazardous substances and other aspects of our manufacturing operations. Improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. We obtain the requisite registrations and approvals from time to time and aim to prevent such hazards by training our personnel, conducting industrial hygiene assessments and employing other prescribed safety measures. The occurrence of any such event in the future could have an adverse effect on our business, results of operations, cash flows and financial condition. We may be impleaded in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

In addition, environmental laws and regulations in India have increasingly become more stringent. The scope and extent of the new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects.

- 57. *Industry information included in this Red Herring Prospectus has been derived from an industry report issued by CARE Advisory Research & Training Ltd dated March 22, 2023 ("CareEdge Report"). There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.***

This Red Herring Prospectus includes information from the report titled 'Indian Kitchen Appliances Industry' dated March 22, 2023 prepared by CARE Advisory Research & Training Ltd ("CareEdge Report"). For further details, please see "Industry Overview" beginning on page 96. CARE Advisory Research & Training Ltd is an independent agency and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared

based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

**58. *Certain data mentioned in this Red Herring Prospectus has not been independently verified.***

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

**EXTERNAL RISK FACTORS:**

**1. *The continuing effect of the COVID-19 pandemic on our business, results of operations and financial condition is highly uncertain and cannot be predicted.***

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession.

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

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

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "**Government and Other Statutory Approvals**" on page 257 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or

impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction 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. We are involved in various disputes with tax authorities. For details of these disputes, see ***“Outstanding Litigation and Material Developments”*** on page 252. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India’s Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“Finance Act”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“DDT”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**4. *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.

**5. *Natural calamities could have a negative impact on the Indian economy and cause Our Company’s business to suffer.***

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

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

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

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

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

**SECTION IV - INTRODUCTION**  
**THE ISSUE**

<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)(3)</sup></b>	Upto 61,63,200 Equity Shares aggregating to ₹ [●] lakhs
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	3,12,000 Equity Shares aggregating to ₹ [●] lakhs.
<b>Net Issue to the Public</b>	Upto 58,51,200 Equity Shares aggregating to ₹ [●] lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(4)(5)</sup>	Not more than 29,23,200 Equity Shares aggregating up to ₹ [●] lakhs.
<b>Of which</b>	
i) Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than 8,78,400 Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than 20,49,600 Equity Shares aggregating up to ₹ [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,71,08,640 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	2,32,71,840 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled <i>“Objects of the Issue”</i> on page 77 of this Red Herring Prospectus.

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

Notes:

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 15, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on February 17, 2023.
- The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
- Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.  
Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity

Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***“Issue Procedure”*** beginning on page 292 of this Red Herring Prospectus.

**SUMMARY OF OUR FINANCIALS**  
**ANNEXURE - I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Lakhs)

PARTICULARS		Notes	Standalone 31/12/2022	Consolidated 31/03/2022	Consolidated 31/03/2021	Consolidated 31/03/2020
A)	<b>EQUITY AND LIABILITIES</b>					
1.	<b>Shareholders' Funds</b>					
(a)	Share Capital	<b>A</b>	356.43	356.43	356.43	356.43
(b)	Reserves & Surplus	<b>A</b>	5,705.96	4,814.25	4,736.84	4,498.14
(c)	Minority interest		-	179.24	173.70	180.10
	Share Application Money		-	-	-	-
			<b>6,062.39</b>	<b>5,349.93</b>	<b>5,266.96</b>	<b>5,034.66</b>
2.	<b>Non-Current Liabilities</b>					
(a)	Long Term Borrowings	<b>B</b>	2,608.04	3,158.91	3,040.98	2,405.51
(b)	Other long term liabilities	<b>C</b>	420.85	256.18	251.00	316.95
(c)	Long Term Provisions	<b>D</b>	68.15	95.50	113.33	91.68
			<b>3,097.04</b>	<b>3,510.59</b>	<b>3,405.31</b>	<b>2,814.14</b>
3.	<b>Current Liabilities</b>					
(a)	Short Term Borrowings	<b>E</b>	3,419.43	3,523.90	2,141.40	1,510.55
(b)	Trade Payables	<b>F</b>				
	(A) outstanding dues of micro enterprises and small enterprises; and		4,033.90	2,480.46	707.16	1290.21
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		2,395.22	2,203.14	1,966.61	1,506.46
(c)	Other Current Liabilities	<b>G</b>	984.16	828.37	639.84	399.31
(d)	Short Term Provisions	<b>H</b>	337.49	57.20	96.09	7.54
			<b>11,170.20</b>	<b>9,093.07</b>	<b>5,551.11</b>	<b>4,714.08</b>
	<b>Total</b>		<b>20,329.62</b>	<b>17,953.59</b>	<b>14,223.39</b>	<b>12,562.89</b>
B)	<b>ASSETS</b>					
1.	<b>Non-Current Assets</b>					
(a)	Property, Plant and Equipment and Intangible assets	<b>I</b>				
	I) Property, Plant and Equipment					
	(i) Gross Block		4,002.88	3,875.66	2,942.38	2,835.37
	(ii) Depreciation		1,138.98	896.54	697.01	604.22
	(iii) Net Block		2,863.90	2,979.12	2,245.37	2,231.15
	II) Intangible Assets		2.62	3.37	8.00	0.88
	III) Capital Work-in-Progress		769.95	283.49	24.39	22.71
	IV) Intangible assets under development		94.27	56.45	-	-
			<b>3,730.74</b>	<b>3,322.43</b>	<b>2,277.76</b>	<b>2,254.74</b>
(b)	Non-Current Investment					
(c)	Deferred Tax Assets (Net)	<b>J</b>	67.92	68.43	57.63	33.65
(d)	Other Non-Current Assets	<b>K</b>	224.70	170.77	204.52	122.07
			<b>292.62</b>	<b>239.20</b>	<b>262.15</b>	<b>155.72</b>
2.	<b>Current Assets</b>					
(a)	Trade Receivables	<b>L</b>	6,780.03	6,476.74	5,986.67	5,894.14
(b)	Cash and Cash equivalents	<b>M</b>	119.84	181.32	147.40	63.75
(c)	Inventories	<b>N</b>	8,467.01	6,706.40	4,275.89	3,610.27
(d)	Short-Term Loans and Advances	<b>O</b>	939.38	1,027.49	1,273.52	584.28
			<b>16,306.26</b>	<b>14,391.96</b>	<b>11,683.48</b>	<b>10,152.43</b>
	<b>Total</b>		<b>20,329.62</b>	<b>17,953.59</b>	<b>14,223.39</b>	<b>12,562.89</b>



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

(₹ in Lakhs)

PARTICULARS		Note	Standalone	Consolidated	Consolidated	Consolidated
			31/12/2022	31/03/2022	31/03/2021	31/03/2020
<b>1</b>	<b>Revenue From Operations</b>	<b>P</b>	25,482.78	33,578.47	23,899.10	23,754.52
<b>2</b>	<b>Other Income</b>	<b>Q</b>	150.69	126.05	30.22	52.65
	<b>Total Income (1+2)</b>		<b>25,633.47</b>	<b>33,704.52</b>	<b>23,929.33</b>	<b>23,807.17</b>
<b>3</b>	<b>Expenditure</b>					
(a)	Raw Material Consumption	<b>R</b>	13,306.84	18,872.89	13,171.16	9,761.35
(b)	Purchase of Stock in Trade	<b>S</b>	3,331.45	4,197.26	4,013.14	6,901.70
(c)	Change in inventories of finished goods, work in progress and stock in trade	<b>T</b>	(666.58)	(621.93)	(519.01)	(1,089.81)
(d)	Employee Benefit Expenses	<b>U</b>	2,840.22	3,508.50	1,978.74	2,405.90
(e)	Finance Cost	<b>V</b>	342.47	552.81	380.97	441.21
(f)	Depreciation and Amortisation Expenses	<b>W</b>	247.95	250.10	163.72	193.30
(g)	Other Expenses	<b>X</b>	4,887.53	6,828.75	4,364.82	5,061.62
<b>4</b>	<b>Total Expenditure 3(a) to 3(g)</b>		<b>24,289.87</b>	<b>33,588.38</b>	<b>23,553.53</b>	<b>23,675.26</b>
	<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax (+2-4)</b>		<b>1,343.60</b>	<b>116.14</b>	<b>375.79</b>	<b>131.91</b>
<b>5</b>	<b>Exceptional and Extra-ordinary items</b>					
<b>6</b>	<b>Profit/(Loss) Before Tax (5+-6)</b>		<b>1,343.60</b>	<b>116.14</b>	<b>375.79</b>	<b>131.91</b>
<b>7</b>	<b>Tax Expense:</b>					
(a)	Tax Expense for Current Year		321.54	44.85	131.66	31.21
(b)	Short/(Excess) Provision of Earlier Year				11.02	7.14
(c)	Deferred Tax		0.51	(10.80)	(23.98)	(23.69)
	<b>Net Current Tax Expenses</b>		<b>322.05</b>	<b>34.04</b>	<b>118.70</b>	<b>14.65</b>
<b>8</b>	<b>Profit/(Loss) for the Year (7-8)</b>		<b>1,021.55</b>	<b>82.09</b>	<b>257.10</b>	<b>117.26</b>
	<b>Share of minority interest</b>			<b>(5.55)</b>	<b>(5.75)</b>	<b>(5.49)</b>
	<b>Profit / (Loss) For The Year</b>		<b>1,021.55</b>	<b>76.54</b>	<b>251.34</b>	<b>111.77</b>
	<b>Earnings per share (Equity Share par value INR 10 each) Basic &amp; Diluted</b>		<b>5.97</b>	<b>0.45</b>	<b>1.47</b>	<b>0.65</b>

**ANNEXURE III**  
**RESTATED CASH FLOW STATEMENT**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>A) Cash Flow From Operating Activities :</b>				
<b>Net Profit before tax</b>	1,343.60	116.14	375.79	131.91
Adjustment for :				
Depreciation and amortization	247.95	250.10	163.72	193.30
Interest Paid	342.47	552.81	380.97	441.21
Foreign currency translation reserve	0.01	0.88		
Income Tax Provision	(321.54)	(44.85)	(142.68)	(38.35)
<b>Operating profit before working capital changes</b>	<b>1,612.48</b>	<b>875.08</b>	<b>777.81</b>	<b>728.08</b>
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Trade Receivables	(308.78)	(490.07)	(92.53)	799.73
(Increase)/Decrease in Inventory	(1,761.39)	(2,430.51)	(665.62)	(899.77)
(Increase)/Decrease in Short Term Loans & Advances	62.24	246.01	(714.03)	89.52
(Increase)/Decrease in Other Non Current Assets	(8.73)	33.76	(82.45)	8.23
Increase/(Decrease) in Trade Payables	1,733.02	2,009.83	(122.91)	(257.05)
Increase/(Decrease) in Other Current Liabilities	156.78	188.53	240.53	(376.98)
Increase/(Decrease) in long Term Provisions,	(27.35)	(17.83)	21.65	91.68
Increase/(Decrease) in Short Term Provisions, etc	285.11	(38.89)	88.55	(252.77)
<b>Cash generated from operations</b>	<b>1,743.38</b>	<b>375.90</b>	<b>(549.01)</b>	<b>(69.32)</b>
<b>Net cash flow from operating activities A</b>	<b>1,743.38</b>	<b>375.90</b>	<b>(549.01)</b>	<b>(69.32)</b>
<b>B) Cash Flow From Investing Activities :</b>				
Net Sale /Purchase of Property, plant & equipment incl. of CWIP	(1,008.08)	(1,294.78)	(186.74)	(224.71)
Sale of Fixed Assets	-			
Investment made/Sold during the year	51.00			
<b>Net cash flow from investing activities B</b>	<b>(957.08)</b>	<b>(1,294.78)</b>	<b>(186.74)</b>	<b>(224.71)</b>
<b>C) Cash Flow From Financing Activities :</b>				
Proceeds from Issue of Share Capital			-	
Increase/(Decrease) in Short Term Borrowings	(104.47)	1,382.49	630.86	(119.77)
Increase/(Decrease) in Long Term Borrowings	(550.88)	117.93	635.47	569.96
Increase/(Decrease) in Other long term liabilities	164.67	5.18	(65.95)	316.95
Interest Paid	(342.47)	(552.81)	(380.97)	(441.21)
Share Money Pending Allotment			-	-
Increase/(Decrease) in Long Term Loans and Advances	-	-	-	-
<b>Net cash flow from financing activities C</b>	<b>(833.14)</b>	<b>952.80</b>	<b>819.40</b>	<b>325.94</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(46.84)</b>	<b>33.92</b>	<b>83.65</b>	<b>31.91</b>
Cash equivalents at the beginning of the year	166.68	147.40	63.75	31.83
<b>Cash equivalents at the end of the year</b>	<b>119.84</b>	<b>181.32</b>	<b>147.40</b>	<b>63.75</b>

Notes:-

		31/12/2022	31/03/2022	31/03/2021	31/03/2020
		Standalone	Consolidated	Consolidated	Consolidated
<b>1.</b>	Component of Cash and Cash equivalents				
	Cash on hand	6.37	13.95	4.80	5.13
	Balance With banks	39.19	85.10	96.64	12.94
	Other Bank Balance	74.27	82.27	45.96	45.67
	<b>Total</b>	<b>119.84</b>	<b>181.32</b>	<b>147.40</b>	<b>63.75</b>

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

3. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement

## GENERAL INFORMATION

### Brief Summary:

Our Company was originally incorporated as “Greenchef Appliances Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 18, 2010 bearing registration number 054118 issued by the Registrar of Companies, Bangalore, Karnataka and CIN: U29300KA2010PLC054118.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 169 of this Red Herring Prospectus.

<b>CIN</b>	U29300KA2010PLC054118
<b>Registration No.</b>	054118
<b>Date of Incorporation</b>	June 18, 2010
<b>Registered Office and Factory Unit 1</b>	No. 477 E, IV Phase, Peenya Industrial Area, Bangalore - 560 058, Karnataka, India <b>Tel. No.:</b> +91-80-29564495 <b>Email:</b> info@greenchef.in <b>Website:</b> <a href="https://greenchef.in/">https://greenchef.in/</a>
<b>Factory Unit 2</b>	Plot No 246, Sompura I Stage Industrial Area In Niduvana Village, Sompura, Hobli, Nelamangala Taluk, Bengaluru – 562 111, Karnataka, India
<b>Factory Unit 3</b>	Plot No. 30-A (Part), Survey No. 63, Dobaspet 1 Phase Industrial Area, Yedehally Village, Sompura Hobli, Nelamangala Taluk, Bangalore Rural Dist
<b>Factory Unit 4</b>	Khasra No.423, Villag Nariyal, Near Sector-4, Parwanoo – 173 220, Himachal Pradesh, India
<b>Warehouse</b>	Plot no. 245 P1, Somapura 1st Phase, Dobaspet Industrial Area, Bengaluru Rural – 562 111, Karnataka, India
<b>Designated Stock Exchange</b>	SME Platform of National Stock Exchange of India Limited i.e. “NSE Emerge”
<b>Address of the Registrar of Companies</b>	<b>Registrar of Companies, Karnataka</b> 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034, Karnataka <b>Tel No:</b> 080-25633105/080-25537449/25633104 <b>Fax No:</b> 080-25538531 <b>Email id:</b> <a href="mailto:roc.bangalore@mca.gov.in">roc.bangalore@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>

### Board of Directors:

The Board of Directors of our Company as on the date of filing of this Red Herring Prospectus consists of:

<b>Name of Directors</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Sukhlal Jain	Chairman and Whole Time Director	34/A, 9th B Cross, 2nd Stage, West Of Chord Road, Bangalore, Mahalakshimpuram Layout, Bangalore Karnataka – 560 086	02179430
Praveen Kumar Sukhlal Jain	Managing Director	No 34/A, 9th B Cross, 2nd Stage, West Of Chord Road, Near Modi Hospital, Bangalore, Mahalakshimpuram Layout, Bangalore, Karnataka – 560 086	02043628
Vikas Kumar Sukhlal Jain	Whole Time Director	No 34/A, 9th B Cross, 2nd Stage, Near Modi Hospital, West Of Chord Road, Bangalore, Mahalakshimpuram Layout, Bangalore, Karnataka – 560 086	06763779
Hitesh Kumar Jain	Whole Time Director	No 36, 15 <sup>th</sup> Main, M C Layout, Vijaynagar, Bangalore North, Bangalore, Vijayanagar, Karnataka – 560 040	01863942
Kavitha Kumari	Non-Executive Director	No. 34/A, 9th B Cross, 2nd Stage West of Chord Road, Bangalore – 560 086, Karnataka, India	02043540
Japna Choudhary	Independent Director	No. 475, Phase-1, Radhey Shyam Vihar, Muradnagar, Ghaziabad – 201206, Uttar Pradesh	06571320
Smith Kumar Mogra	Independent Director	No. 67/17, 1 <sup>st</sup> Cross, H G H Layout, Ganganagar, R T Nagar Post, Bangalore North, R T Nagar, Bengaluru – 560 032, Karnataka, India	07782590
Dhara Bhawesh Jain	Independent Director	8/9, Raghuvir Society, Near P.P. Savani School, Hirabaug, Surat – 395 006, Gujarat, India	07809941

For further details in relation to our Directors, please refer to chapter titled **“Our Management”** on page 173 of this Red Herring Prospectus.

Chief Financial Officer	Joint Chief Financial Officer	Company Secretary & Compliance Officer
<b>Abhay Jain</b> <b>Greenchef Appliances Limited</b> No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560 058, Karnataka, India <b>Tel. No.:</b> +91-8139999846 <b>Email:</b> abhay@greenchef.in <b>Website:</b> <a href="https://greenchef.in/">https://greenchef.in/</a>	<b>Bharathi</b> <b>Greenchef Appliances Limited</b> No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560 058, Karnataka, India <b>Tel. No.:</b> +91-9110833508 <b>Email:</b> bharathi@greenchef.in <b>Website:</b> <a href="https://greenchef.in/">https://greenchef.in/</a>	<b>Aarti Panigrahi</b> <b>Greenchef Appliances Limited</b> No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560 058, Karnataka, India <b>Tel. No.:</b> +91-9158455717 <b>Email:</b> <a href="mailto:cs@greenchef.in">cs@greenchef.in</a> <b>Website:</b> <a href="https://greenchef.in/">https://greenchef.in/</a>

#### **Investor Grievances:**

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, 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.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

#### **Details of Key Intermediaries pertaining to this Issue and Our Company:**

Book Running Lead Manager of the Issue	Legal Advisor to the Issue
<b>Hem Securities Limited</b> <b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India <b>Tel No.:</b> +91-22-4906 0000 <b>Fax No.:</b> +91-22-22625991 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Roshni Lahoti <b>SEBI Reg. No.:</b> INM000010981	<b>Mindspright Legal</b> <b>Address:</b> 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai-400013, Maharashtra, India. <b>Tel No.:</b> +91-22-42197000 <b>Email:</b> <a href="mailto:legal@mindspright.co.in">legal@mindspright.co.in</a> <b>Contact Person:</b> Ms. Richa Bhansali <b>Website:</b> <a href="http://www.mindspright.co.in">www.mindspright.co.in</a>
Registrar to the Issue	Statutory Auditor
<b>Link Intime India Private Limited</b> <b>Address:</b> C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 <b>Tel. No.:</b> +91 810 811 4949 <b>Fax No.:</b> +91 22 49186195 <b>Email:</b> <a href="mailto:greenchef.ipo@linkintime.co.in">greenchef.ipo@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Investor Grievance Email:</b> <a href="mailto:greenchef.ipo@linkintime.co.in">greenchef.ipo@linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI Registration No.:</b> INR000004058 <b>CIN:</b> U67190MH1999PTC118368	<b>Patel Shah And Joshi</b> <b>Chartered Accountants,</b> <b>Address:</b> 1001, Avalon Paradise, Chincholi Bunder Road, Malad West, Mumbai – 400 064, Maharashtra, India <b>Phone:</b> +91 9892477461 <b>Email:</b> <a href="mailto:psjbom@gmail.com">psjbom@gmail.com</a> <b>Firm Registration No.:</b> 107768W <b>Membership No:</b> 042630 <b>Peer Review Certificate Number:</b> 014653 <b>Contact Person:</b> Jayant Mehta
Bankers to the Company	Bankers to the Issue/ Sponsor Bank

<b>Canara Bank</b> <b>Address:</b> SME Peenya Branch, 13 <sup>th</sup> Cross, Peenya, 2 <sup>nd</sup> Stage, Bangalore – 560058 <b>Tel:</b> +91 8105875864; +91 9130555790 <b>Email:</b> cb2454@canarabank.com <b>Contact Person:</b> Karthik R Shetty	<b>Axis Bank Limited</b> <b>Address:</b> No. 09, Block A, Esquire Center, MG Road, Bangalore – 560 001 <b>Tel No : 08025370611</b> <b>Email :</b> Bangalore.branchhead@axisbank.com <b>Website:</b> www.axisbank.com <b>Contact Person:</b> Nilam Chaudhary <b>SEBI Reg No:</b> INBI00000017 <b>CIN:</b> L65110GJ1993PLC020769
<b>Syndicate Member</b>	
<b>Hem Finlease Private Limited</b> <b>Address:</b> 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India <b>Telephone:</b> 0141-4051000 <b>Email:</b> ib@hemsecurities.com <b>Website:</b> www.hemsecurities.com <b>Contact Person:</b> Ashok Soni <b>SEBI Registration Number:</b> INZ000167734	

#### Designated Intermediaries:

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

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

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

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

#### Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above mentioned SEBI link.

#### Registered Brokers

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

#### Registrar and Share Transfer Agents

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

#### Collecting Depository Participants (CDP's)

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

## **Brokers to the Issue**

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

## **Expert Opinion**

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

Except for the reports in the section *“Financial Information of the Company”* and *“Statement of Tax Benefits”* on page 195 and 94 respectively of this Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

## **Inter-se Allocation of Responsibilities**

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

## **Appraisal and Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakh. Since the Issue size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

## **Credit Rating**

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

## **IPO Grading**

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

## **Debenture Trustees**

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

## **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus with the SEBI/ ROC**

The Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Karnataka, E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034, Karnataka.

## **Book Building Process**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Bangalore Edition of Regional newspaper Udayakala where our registered office is situated at least two working days prior to the Bid/ Issue Opening date.

The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “**Issue Procedure**” beginning on page 292 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 292 of this Red Herring Prospectus.

**Illustration of the Book Building and Price Discovery Process:** For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “**Issue Procedure**” on page 292 of this Red Herring Prospectus.

**Bid/ Issue Program:**



Event	Indicative Dates
Bid/ Issue Opening Date	June 23, 2023 <sup>1</sup>
Bid/ Issue Closing Date	June 27, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about July 03, 2023
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about July 04, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or about July 05, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about July 06, 2023

<sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter Hem Securities Limited.

Pursuant to the terms of the Underwriting Agreement dated June 15, 2023 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
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<b>Hem Securities Limited</b> <b>Address:</b> - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> ib@hemsecurities.com <b>Investor Grievance Email:</b> redressal@hemsecurities.com <b>Website:</b> www.hemsecurities.com <b>Contact Person:</b> Rohit Sharma <b>SEBI Registration Number:</b> INM000010981	61,63,200	[•]	100%
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*\*Includes upto 3,12,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

### Change in Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years.

Details of Auditors	Date of Change	Reason
<b>J R JAIN AND CO</b> <b>Chartered Accountant,</b> <b>Address:</b> No 36, 1st Floor, 2nd Cross, Kumara Park West, Bangalore – 560 020, Karnataka, India <b>Phone:</b> +91-9341238082 <b>Email:</b> kothariak.1967@gmail.com <b>Membership No:</b> 047321 <b>Contact Person:</b> Ashok Kumar Kosthari	December 05, 2022	Due to personal reason and Pre-occupation.
<b>M/s. PATEL SHAH AND JOSHI.</b> <b>Chartered Accountants,</b> <b>Address:</b> 1001, Avalon Paradise, Chincholi Bunder Road, Malad West, Mumbai – 400 064, Maharashtra, India <b>Phone:</b> +91 9892477461 <b>Email:</b> <a href="mailto:psjbom@gmail.com">psjbom@gmail.com</a> <b>Firm Registration No.:</b> 107768W <b>Peer Review Certificate No.:</b> 014653 <b>Membership No:</b> 042630 <b>Contact Person:</b> Jayant Mehta	December 30, 2022	Appointment

### Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

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

### Details of the Market Making arrangement for this Issue

Our Company and the BRLM has entered into Market Making Agreement dated June 15, 2023 with the following Market Maker, to fulfill the obligations of Market Making for this issue:

<b>Name</b>	Hem Finlease Private Limited
<b>Correspondence Address</b>	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India.
<b>Tel No.</b>	0141-4051000
<b>E-mail</b>	<a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a>
<b>Website</b>	<a href="http://www.hemsecurities.com">www.hemsecurities.com</a>
<b>Contact Person</b>	Mr. Ashok Soni
<b>SEBI Registration No.</b>	INZ000167734
<b>NSE Market Maker Registration No.</b>	SMEMM0674109092020

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

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE Emerge (SME platform of NSE) and SEBI from time to time.
- The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE Emerge (in this case currently the minimum trading lot size is [•] equity shares; however the same may be changed by the NSE Emerge from time to time).
- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/ threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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.
- The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market

Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106 V of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.

- **Risk containment measures and monitoring for Market Makers:** NSE Emerge will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** NSE Emerge 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.
- **Price Band and Spreads:** 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.
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

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

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

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

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

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Red Herring Prospectus.

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	2,500.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 1,71,08,640 Equity Shares having Face Value of ₹10/- each	1,710.86	-
C	<b>Present Issue in terms of this Red Herring Prospectus</b> Upto 61,63,200 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share <sup>(1) (2)</sup>	616.32	[●]
	<b>Which comprises of:</b>		
D	<b>Reservation for Market Maker Portion</b> 3,12,000 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	3,12,000	[●]
E	<b>Net Issue to Public</b> Net Issue to Public of 58,51,200 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	58,51,200	[●]
	<b>Of which:</b>		
	At least 20,49,600 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Retail Individual Investors	20,49,600	[●]
	At least 8,78,400 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Non-Institutional Investors	8,78,400	[●]
	Not more than 29,23,200 Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	29,23,200	[●]
F	<b>Issued, Subscribed and Paid up Equity Share Capital after the Issue*</b> 2,32,71,840 Equity Shares of face value of ₹10/- each		[●]
G	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Red Herring Prospectus)	1,600.04	
	After the Issue		[●]

\*To be updated upon finalization of the Issue Price.

(1) The Issue has been authorized by our Board pursuant to its resolution dated February 15, 2023 and authorized by our Shareholders pursuant to their resolution, dated February 17, 2023.

### Classes of Shares:-

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

### NOTES TO THE CAPITAL STRUCTURE:

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

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital ( ₹ in lakhs)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	50,000	10/-	5.00	On Incorporation	N.A.
2.	Increase in Authorized Share Capital from ₹5.00 Lakhs to ₹ 60.00 Lakhs	6,00,000	10/-	60.00	March 30, 2011	EGM
3.	Increase in Authorized Share	20,00,000	10/-	200.00	March 27,	EGM

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital ( ₹ in lakhs)	Date of Meeting	Whether AGM/EGM
	Capital from ₹60.00 Lakhs to ₹ 2.00 Crores				2014	
4.	Increase in Authorized Share Capital from ₹2.00 Crores to ₹ 3.50 Crores	35,00,000	10/-	350.00	January 03, 2017	EGM
5.	Increase in Authorized Share Capital from ₹ 3.50 Crores to ₹4.00 Crores	40,00,000	10/-	400.00	March 01, 2017	EGM
6.	Increase in Authorized Share Capital from ₹ 4.00 Crores to ₹25.00 Crores	2,50,00,000	10/-	2500.00	December 30, 2022	EGM

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

a) The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable(₹))	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares
Upon Incorporation	50,000	10/-	10/-	Cash	Subscription to MOA <sup>(i)</sup>	50,000
March 31, 2011	4,88,800	10/-	50/-	Cash	Right Issue of Shares <sup>*(ii)</sup>	5,38,800
March 29, 2012	60,000	10/-	160/-	Cash	Right Issue of Shares <sup>*(iii)</sup>	5,98,800
March 31, 2014	12,25,500	10/-	100/-	Cash	Right Issue of Shares <sup>*(iv)</sup>	18,24,300
January 28, 2017	7,40,000	10/-	100/-	Cash	Right Issue of Shares <sup>*(v)</sup>	25,64,300
April 25, 2017	10,00,000	10/-	100/-	Cash	Right Issue of Shares <sup>*(vi)</sup>	35,64,300
February 20, 2023	1,35,44,340	10/-	Nil	Other than Cash	Bonus issue of Shares in Ratio of 19:5	1,71,08,640

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

(i) Initial Subscribers to the Memorandum of Association subscribed 50,000 Equity Shares of Face Value of ₹ 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Sukhlal Jain	20,000
2.	Uttam Chand Jain	20,000
3.	Badrilal Jain	2,000
4.	Vinod Kumar Jain	2,000
5.	Vikas Kumar Sukhlal Jain	2,000
6.	Praveen Kumar Sukhlal Jain	2,000
7.	Vishal Uttamchand Jain	2,000
	<b>Total</b>	<b>50,000</b>

(ii) Allotment of 4,88,800 Equity Shares of Face Value of ₹ 10/- each as per details given below:

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Amar Shahji	2,000
2.	Astha Tradelink Private Limited	20,000

3.	Chirag Commodities Private Limited	20,000
4.	Chirag Vincom Private Limited	20,000
5.	Desire Vincom Private Limited	10,000
6.	Diversity Infrastructure Private Limited	20,000
7.	Fly High Exports Private Limited	1,70,000
8.	Gravity Barter Private Limited	20,000
9.	G.R. Industries Finance Limited	20,000
10.	Hitesh Jain	10,000
11.	Jagadish	5,000
12.	Kavitha Jain	4,000
13.	Mamatha Jain	4,000
14.	Nitin Hire Purchase Private Limited	60,000
15.	Praveen Jain	11,600
16.	Rajendra Kumar	6,000
17.	Ramaram	4,000
18.	Silverlake Traders Private Limited	20,000
19.	Sunview Retail Private Limited	20,000
20.	Suresh	4,000
21.	Uttamchand Jain	19,000
22.	Vinod Jain	3,600
23.	Vishal Jain	15,600
<b>Total</b>		<b>4,88,800</b>

(iii) Allotment of 60,000 Equity Shares of Face Value of ₹ 10/- each as per details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Pewee Infrastructure Private Limited	8,750
2.	Runicha Merchants Private Limited	28,125
3.	Sapphire Dealers Private Limited	9,375
4.	Winall Vinimay Private Limited	5,625
5.	Gevaram	1,250
6.	Concord Commodeal Pvt. Ltd.	6,875
<b>Total</b>		<b>60,000</b>

(iv) Allotment of 12,25,500 Equity Shares of Face Value of ₹ 10/- each as per details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Anju Jain	20,000
2.	Ashok Kumar HUF	20,000
3.	Badrilal Jain	20,000
4.	Badrilal Jain HUF	20,000
5.	Gautham Jain	10,000
6.	Kavita Kumari	20,000
7.	Neeta Jain	20,000
8.	Nirmala Devi	20,000
9.	Praveen Kumar Sukhlal Jain HUF	28,000
10.	Savitha Jain	10,000
11.	Sukhlal Jain	10,000
12.	Sukhlal Jain HUF	15,000
13.	Uttamchand Jain	15,000
14.	Uttamchand Jain HUF	15,000
15.	Vikas Kumar Sukhlal Jain HUF	9,67,500
16.	Vinod Kumar Jain HUF	15,000
<b>Total</b>		<b>12,25,500</b>

(v) Allotment of 7,40,000 Equity Shares of Face Value of ₹ 10/- each as per details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Vinod Kumar Jain HUF	10,000

2.	Anju Jain	15,000
3.	Badrilal Jain HUF	50,000
4.	Sukhlal Jain HUF	50,000
5.	Uttamchand Jain HUF	50,000
6.	Praveen Kumar Sukhlal Jain	25,000
7.	Kavitha Kumari	10,000
8.	Savitha Jain	15,000
9.	Badrilal Jain	15,000
10.	Vikas Kumar Sukhlal Jain HUF	5,00,000
	<b>Total</b>	<b>7,40,000</b>

(vi) Allotment of 10,00,000 Equity Shares of Face Value of ₹ 10/- each as per details given below:

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Vikas Kumar Sukhlal Jain HUF	10,00,000
	<b>Total</b>	<b>10,00,000</b>

(vii) Bonus issue of 1,35,44,340 Equity Shares of Face Value of ₹ 10/-each in the ratio of 19:5 i.e. Nineteen (19) Bonus Equity Shares for every Five (5) Equity Shares held by shareholders (refer point no. 4 below for allottees list)

b) As on the date of this Red Herring Prospectus, our Company does not have any Preference Share Capital.

3. Except as mentioned in point number 4 below, the Company has not issued any Equity Shares in the last two years preceding the date of the Red Herring Prospectus.

4. Issue of Equity Shares for consideration other than cash:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
February 20, 2023	1,35,44,340	10/-	Nil	Bonus issue of Shares in ratio of 19:5	Capitalization of Reserves & Surplus*	Sukhlal Jain	1,14,000
						Uttam Chand Jain	2,85,950
						Badrilal Jain	1,48,200
						Vinod Jain	40,280
						Vikas Kumar Sukhlal Jain	2,35,600
						Praveen Kumar Sukhalal Jain	1,61,880
						Vishal Kumar Jain	1,42,880
						Hitesh Kumar Jain	38,000
						Kavitha Kumari	1,73,375
						Mamatha Jain	41,325
						Anju Jain	1,33,000
						Ashok Kumar Jain HUF	1,52,000
						Badrilal Jain HUF	3,42,000
						Goutham Jain	76,000
						Neeta Jain	1,52,000
						Nirmala Devi	1,67,200
						Praveen Kumar Sukhalal Jain HUF	1,42,025
						Savitha Jain	1,28,250
						Sukhlal Jain HUF	3,23,000
						Uttam Chand Jain HUF	3,23,000
						Vikas Kumar Sukhlal Jain HUF	1,00,22,500
						Vinod Jain HUF	2,01,875
						<b>Total</b>	<b>1,35,44,340</b>



5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
7. Except for bonus issue made on February 20, 2023, our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Red Herring Prospectus.
8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
9. **Shareholding Pattern of the Company**

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

**I - Our Shareholding Pattern:-**

Category	Category of shareholder	Nos. 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 nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number 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)	
								Class Equity Shares of ₹10/- each^	Class as seg : y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters & Promoter Group	22	17108640	-	-	17108640	100	17108640	-	17108640	100	-	100	-	-	-	-	17108640
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	22	17108640	-	-	17108640	100	17108640	-	17108640	100	-	100	-	-	-	-	17108640

**Notes-**

- As on date of this Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹ 10/- each. We have entered into tripartite agreement with CDSL & NSDL.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

10. **List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-**

a) As on the date of filing of this Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre Issue paid up Share Capital (%)
1.	Uttam Chand Jain	3,61,200	2.11%
2.	Badrilal Jain	1,87,200	1.09%
3.	Vikas Kumar Sukhlal Jain	2,97,600	1.74%
4.	Praveen Kumar Sukhlal Jain	2,04,480	1.20%
5.	Vishal Uttam Chand Jain	1,80,480	1.05%
6.	Kavitha Jain	2,19,000	1.28%
7.	Ashok Kumar HUF	1,92,000	1.12%
8.	Badrilal Jain HUF	4,32,000	2.53%
9.	Neeta Jain	1,92,000	1.12%
10.	Nirmala Devi	2,11,200	1.23%
11.	Praveen Kumar Sukhlal Jain HUF	1,79,400	1.05%
12.	Sukhlal Jain HUF	4,08,000	2.38%
13.	Uttamchand Jain HUF	4,08,000	2.38%
14.	Vikas Kumar Sukhlal Jain HUF	1,26,60,000	74.00%
15.	Vinod Kumar Jain HUF	2,55,000	1.49%
	<b>Total</b>	<b>1,63,87,560</b>	<b>95.79%</b>

b) Ten days prior to the date of filing of this Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre Issue paid up Share Capital (%)
1.	Uttam Chand Jain	3,61,200	2.11%
2.	Badrilal Jain	1,87,200	1.09%
3.	Vikas Kumar Sukhlal Jain	2,97,600	1.74%
4.	Praveen Kumar Sukhlal Jain	2,04,480	1.20%
5.	Vishal Uttam Chand Jain	1,80,480	1.05%
6.	Kavitha Jain	2,19,000	1.28%
7.	Ashok Kumar HUF	1,92,000	1.12%
8.	Badrilal Jain HUF	4,32,000	2.53%
9.	Neeta Jain	1,92,000	1.12%
10.	Niramala Devi	2,11,200	1.23%
11.	Praveen Kumar Sukhlal Jain HUF	1,79,400	1.05%
12.	Sukhlal Jain HUF	4,08,000	2.38%
13.	Uttamchand Jain HUF	4,08,000	2.38%
14.	Vikas Kumar Sukhlal Jain HUF	1,26,60,000	74.00%
15.	Vinod Kumar Jain HUF	2,55,000	1.49%
	<b>Total</b>	<b>1,63,87,560</b>	<b>95.79%</b>

c) One Year prior to the date of filing of this Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre Issue paid up Share Capital (%)
1.	Uttam Chand Jain	75,250	2.11%
2.	Badrilal Jain	39,000	1.09%
3.	Vikas Kumar Sukhlal Jain	62,000	1.74%
4.	Praveen Kumar Sukhlal Jain	42,600	1.20%
5.	Vishal Uttam Chand Jain	37,600	1.05%
6.	Kavitha Jain	45,625	1.28%
7.	Ashok Kumar HUF	40,000	1.12%
8.	Badrilal Jain HUF	90,000	2.53%
9.	Neeta Jain	40,000	1.12%
10.	Niramala Devi	44,000	1.23%

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre Issue paid up Share Capital (%)
11.	Praveen Kumar Sukhlal Jain HUF	37,375	1.05%
12.	Sukhlal Jain HUF	85,000	2.38%
13.	Uttamchand Jain HUF	85,000	2.38%
14.	Vikas Kumar Sukhlal Jain HUF	26,37,500	74.00%
15.	Vinod Kumar Jain HUF	53,125	1.49%
	<b>Total</b>	<b>34,14,075</b>	<b>95.79%</b>

*\*Details of shares held on March 20, 2022 and percentage held has been calculated based on the paid up capital of our Company as on March 20, 2022.*

d) Two Years prior to the date of filing of this Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre Issue paid up Share Capital (%)
1.	Uttam Chand Jain	75,250	2.11%
2.	Badrilal Jain	39,000	1.09%
3.	Vikas Kumar Sukhlal Jain	62,000	1.74%
4.	Praveen Kumar Sukhlal Jain	42,600	1.20%
5.	Vishal Uttam Chand Jain	37,600	1.05%
6.	Kavitha Jain	45,625	1.28%
7.	Ashok Kumar HUF	40,000	1.12%
8.	Badrilal Jain HUF	90,000	2.53%
9.	Neeta Jain	40,000	1.12%
10.	Niramala Devi	44,000	1.23%
11.	Praveen Kumar Sukhlal Jain HUF	37,375	1.05%
12.	Sukhlal Jain HUF	85,000	2.38%
13.	Uttamchand Jain HUF	85,000	2.38%
14.	Vikas Kumar Sukhlal Jain HUF	26,37,500	74.00%
15.	Vinod Kumar Jain HUF	53,125	1.49%
	<b>Total</b>	<b>34,14,075</b>	<b>95.79%</b>

*\*Details of shares held on March 20, 2021 and percentage held has been calculated based on the paid up capital of our Company as on March 20, 2021.*

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, except for the allotment of equity shares pursuant to the issue and the pre-ipo Placement, if any, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

### 13. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Red Herring Prospectus, Our Promoters, Sukhlal Jain; Praveen Kumar Sukhlal Jain; Vikas Kumar Sukhlal Jain; Hitesh Kumar Jain and Vikas Kumar Sukhlal Jain HUF collectively hold 1,33,54,080 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
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<b>(A) Sukhlal Jain</b>							
June 18, 2010	20,000	10	10	Cash	Subscription to MOA	0.12	0.09
March 31, 2014	10,000	10	100	Cash	Right Issue of Shares	0.06	0.04
February 20, 2023	1,14,000	10	Nil	Other than cash	Issue of bonus shares in ratio of 19:5	0.67	0.49
<b>Total (A)</b>	<b>1,44,000</b>					<b>0.84</b>	<b>0.62</b>
<b>(B) Praveen Kumar Sukhlal Jain</b>							
June 18, 2010	2,000	10	10	Cash	Subscription to MOA	0.01	0.01
March 31, 2011	11,600	10	50	Cash	Right Issue of Shares	0.07	0.05
January 28, 2017	25,000	10	100	Cash	Right Issue of Shares	0.15	0.11
March 16, 2017	4,000	10	200	Cash	Transfer of Shares <sup>(a)</sup>	0.02	0.02
February 20, 2023	1,61,880	10	Nil	Other than cash	Issue of bonus shares in ratio of 19:5	0.95	0.70
<b>Total (B)</b>	<b>2,04,480</b>					<b>1.20</b>	<b>0.88</b>
<b>(C) Vikas Kumar Sukhlal Jain</b>							
June 18, 2010	2,000	10	10	Cash	Subscription to MOA	0.01	0.01
March 27, 2017	60,000	10	2.25	Cash	Transfer of Shares <sup>(b)</sup>	0.35	0.26
February 20, 2023	2,35,600	10	Nil	Other than cash	Issue of bonus shares in ratio of 19:5	1.38	1.01
<b>Total (C)</b>	<b>2,97,600</b>					<b>1.74</b>	<b>1.28</b>
<b>(D) Hitesh Kumar Jain</b>							
March 31, 2011	10,000	10	50	Cash	Right issue of Shares	0.06	0.04
February 20, 2023	38,000	10	Nil	Other than Cash	Issue of Bonus shares in ratio of 19:5	0.22	0.16
<b>Total (D)</b>	<b>48,000</b>					<b>0.28</b>	<b>0.21</b>
<b>(E) Vikas Kumar Sukhlal Jain HUF</b>							
March 31, 2014	9,67,500	10	100	Cash	Right Issue of Shares	5.66	4.16
January 28, 2017	5,00,000	10	100	Cash	Right Issue of Shares	2.92	2.15
March 27, 2017	1,70,000	10	2	Cash	Transfer of Shares <sup>(c)</sup>	0.99	0.73
April 25, 2017	10,00,000	10	100	Cash	Right Issue of Shares	5.84	4.30
February 20, 2023	1,00,22,500	10	Nil	Other than cash	Issue of bonus shares in ratio of 19:5	58.58	43.07
<b>Total (E)</b>	<b>1,26,60,000</b>					<b>74.00</b>	<b>54.40</b>
<b>Grand Total</b>	<b>1,33,54,080</b>					<b>78.06</b>	<b>57.38</b>

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

(a) Details of Acquisition by Praveen Kumar Shukhlal Jain by way of Transfer of 4,000 equity shares dated March 16, 2017.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	March 16, 2017	Suresh	4,000

(b) Details of Acquisition by Vikas Kumar Sukhlal Jain by way of Transfer of 60,000 equity shares dated March 27, 2017.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	March 27, 2017	Nitin Hire Purchase Private Limited	60,000

(c) Details of Acquisition by Vikas Kumar Sukhlal Jain HUF by way of Transfer of 1,70,000 equity shares dated March 27, 2017.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	March 27, 2017	Fly High Exports Private Limited	1,70,000

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Sukhlal Jain	1,44,000	8.33
2.	Praveen Kumar Sukhlal Jain	2,04,480	19.07
3.	Vikas Kumar Sukhlal Jain	2,97,600	0.52
4.	Hitesh Kumar Jain	48,000	10.42
5.	Vikas Kumar Sukhlal Jain HUF	1,26,60,000	19.52

15. Shareholding of Promoters & Promoter Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoters and Promoter group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1.	Sukhlal Jain	1,44,000	0.84	1,44,000	0.62
2.	Praveen Kumar Sukhlal Jain	2,04,480	1.20	2,04,480	0.88
3.	Vikas Kumar Sukhlal Jain	2,97,600	1.74	2,97,600	1.28
4.	Hitesh Kumar Jain	48,000	0.28	48,000	0.21
5.	Vikas Kumar Sukhlal Jain HUF	1,26,60,000	74.00	1,26,60,000	54.40
	<b>Promoter Group</b>				
1.	Uttam Chand Jain	3,61,200	2.11	3,61,200	1.55
2.	Badrilal Jain	1,87,200	1.09	1,87,200	0.80
3.	Vinod Kumar Jain	50,880	0.30	50,880	0.22
4.	Vishal Uttam Chand Jain	1,80,480	1.05	1,80,480	0.78
5.	Kavitha Jain	2,19,000	1.28	2,19,000	0.94
6.	Mamatha Jain	52,200	0.31	52,200	0.22
7.	Anju Jain	1,68,000	0.98	1,68,000	0.72
8.	Ashok Kumar HUF	1,92,000	1.12	1,92,000	0.83
9.	Badrilal Jain HUF	4,32,000	2.53	4,32,000	1.86
10.	Goutham Jain	96,000	0.56	96,000	0.41
11.	Neeta Jain	1,92,000	1.12	1,92,000	0.83
12.	Nirmala Jain	2,11,200	1.23	2,11,200	0.91
13.	Praveen Kumar Sukhlal Jain HUF	1,79,400	1.05	1,79,400	0.77
14.	Savitha Jain	1,62,000	0.95	1,62,000	0.70
15.	Sukhlal Jain HUF	4,08,000	2.38	4,08,000	1.75
16.	Uttam Chand Jain HUF	4,08,000	2.38	4,08,000	1.75
17.	Vinod Kumar Jain HUF	2,55,000	1.49	2,55,000	1.10
	<b>Total</b>	<b>1,71,08,640</b>	<b>100</b>	<b>1,71,08,640</b>	<b>73.52</b>

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Red Herring Prospectus.

Date of Allotment/ Transfer	Name of Shareholder	No. of Equity Share	% of Pre issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoters/Promoters Group)
February 20, 2023	Sukhlal Jain	1,14,000	0.67	Subscribed the Bonus Issue	Promoter
	Uttam Chand Jain	2,85,950	1.67		Promoter Group
	Badrilal Jain	1,48,200	0.87		Promoter Group
	Vinod Kumar Jain	40,280	0.24		Promoter Group
	Vikas Kumar Sukhlal Jain	2,35,600	1.38		Promoter
	Praveen Kumar Sukhalal Jain	1,61,880	0.95		Promoter
	Vishal Uttamchand	1,42,880	0.84		Promoter Group
	Hitesh Jain	38,000	0.22		Promoter
	Kavitha Jain	1,73,375	1.01		Promoter Group
	Mamatha Jain	41,325	0.24		Promoter Group
	Anju Jain	1,33,000	0.78		Promoter Group
	Ashok Kumar HUF	1,52,000	0.89		Promoter Group
	Badrilal Jain HUF	3,42,000	2.00		Promoter Group
	Gautam Jain	76,000	0.44		Promoter Group
	Neeta Jain	1,52,000	0.89		Promoter Group
	Nirmala Devi	1,67,200	0.98		Promoter Group
	Praveen Kumar Sukhalal Jain HUF	1,42,025	0.83		Promoter Group
	Savitha Jain	1,28,250	0.75		Promoter Group
	Sukhlal Jain HUF	3,23,000	1.89		Promoter Group
	Uttam Chand Jain HUF	3,23,000	1.89		Promoter Group
	Vikas Kumar Sukhlal Jain HUF	1,00,22,500	58.58		Promoter
	Vinod Kumar Jain HUF	2,01,875	1.18		Promoter Group

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

#### 18. Details of Promoters' Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("**Promoters Contribution**") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of 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.

As on the date of this Red Herring Prospectus, our Promoters collectively hold 1,33,54,080 Equity Shares constituting 57.38% of the Post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoter, Vikas Kumar Sukhlal Jain HUF, have given written consent to include 50,00,000 Equity Shares held by him and subscribed by him as part of Promoters Contribution constituting 21.49% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Vikas Kumar Sukhlal Jain HUF						

February 20, 2023	50,00,000	10/-	Nil	Bonus Issue in the Ratio of 19:5	21.49%	3 years
<b>Total</b>	<b>50,00,000</b>				<b>21.49%</b>	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

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

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

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

#### **Details of Promoters' Contribution Locked-in for One Year**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 1,21,08,640 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

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



1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoters contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the Promoter Group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
4. Neither, we nor our Promoters, Directors and the LM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
5. As on the date of this Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid-up Equity Shares.
6. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Red Herring Prospectus.
7. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme/ Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
8. We have 22 (Twenty Two) shareholders as on the date of filing of this Red Herring Prospectus.
9. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
10. Our Company has not raised any bridge loan against the proceeds of the Issue.
11. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.
12. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner except for the issued and allotment of Equity Shares pursuant to the Pre-IPO Placement, if any, during the period commencing from the date of the Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
13. None of our Equity Shares has been issued out of revaluation reserve created out of revaluation of assets.
14. An over-subscription to the extent of 1% of the Issue, can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event,

the Equity Shares held by the Promoters and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

15. 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 LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
16. 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 and its amendments from time to time.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
18. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
19. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
20. There are no Equity Shares against which depository receipts have been issued.
21. Other than the Equity Shares, there is no other class of securities issued by our Company.
22. There are no safety net arrangements for this public issue.
23. As per RBI regulations, OCBs are not allowed to participate in this issue.
24. Our Promoters and Promoter Group will not participate in this Issue.
25. This Issue is being made through Book Building Method.
26. Our Company has not made any public issue of any kind or class of securities since its incorporation.
27. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
28. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
29. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus with the Registrar of companies and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## OBJECTS OF THE ISSUE

The issue comprise of a fresh Issue of up to 61,63,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

1. Funding Capital Expenditure towards installation of additional plant and machinery.
2. Funding Capital Expenditure towards construction of factory building
3. Funding of Working capital requirements
4. General Corporate Purpose.
5. Issue expenses.

(Collectively referred as the “Objects”)

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

We are engaged in the business of manufacturing and marketing of wide range of kitchen appliances under the brand name of Greenchef. Our kitchen appliances include wide range of solutions comprising of Gas Stoves, Pressure Cookers, Mixer Grinders, Wet Grinders, Electric Rice Cooker, Induction Cooktops, Non-stick Cookwares like: Tawa, Fry Pan, Kadai, Biryani Pot, Tadka Pan, Paniyarakkal, Appamchetty etc, Kettles, Hose Pipes, Gas Cylinder Trolley and Spin Mop. Further our company is also engaged in marketing of appliances like: Chimney, Stainless Steel Utensils, Blenders, Vegetable Chopper, Silicon Gasket, Water Bottles, Fans, Iron etc. Our range of products are offered at different pricing points to meet diverse customer requirements.

### Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (₹ in Lakhs)
Gross Proceeds of the Issue <sup>#</sup>	[●]
Less: Issue related expenses in relation to Issue	[●]
Net Proceeds	[●]

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

S. No	Particulars	Amount (₹ in Lakhs)
1.	Funding Capital Expenditure towards installation of additional plant and machinery.	514.76
2.	Funding Capital Expenditure towards construction of factory building	2500.00
3.	Funding of working capital requirement	1000.00
4.	General Corporate Purpose	[●]
	<b>Total</b>	[●]

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

### Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

#### 1. Funding Capital Expenditure towards installation of additional plant and machinery.

In order to increase backward integration at our manufacturing facilities and to cater our Company is intends to make capital expenditure towards installation of additional plant & machinery. Our Company proposes to use part of net proceeds to the extent to Rs. 514.76 Lakhs to meet capital expenditure in relation to (a) installation of Conveyorized Powder Coating Plant (ii) Plastic Injection Molding Machines (iii) Hard Anodizing Plant and (iv) Multi Kettle Mould & Welding Machine (v) Forging press Machine and (vi) Polishing Machines

A detailed breakup of estimated cost which are proposed to be funded from the net issue proceeds is set forth below:

Sr. No	Equipment details	Quotation Amt. (₹ in Lakhs)	Quotation Details	Validity
1	<b>Conveyorized Powder Coating Plant</b> Including machineries like: Powder coating booth (1 Set), Powder Curing Oven (Enclosure HE, Blower & Burner) (1 Set), Powder coating guns (2Set), Bi-Planer conveyor chain (1 Set), Centralized Control Panel with Field Wiring & Cable Trays (1 Set), Pretreatment PP Tanks 8' x 4' x 4' with supporting structures & gate valve (8 Nos.), One ton Electrical Hoist with structure & 3 nos. baskets (1 Set), Reciprocator (2 Set), Auto Gun Apex Make (6 Set) with Installation & Commissioning	66.20	Quotation Dated February 25, 2023 from Apex Technologies, Bangalore	Valid upto August 24, 2023
2	<b>Plastic Injection Molding Machines</b> Including Futura 160-592-22- 160 ton Microprocessor Based Energy Saving Servo Hydraulics Plastic Injection Molding Machine with 'B' type nitrated barrier + mixing head screw barrel with high torque hydromotor.(5 Pcs) Specifications: Tie bar distance 470*470 and shot weight 336 gms in PS, Hopper dryer 75 kg	127.50	Quotation Dated 5 <sup>th</sup> Feb. 2023 from Electronica Plastic Machines Limited, Pune	Valid upto August 04, 2023
3	<b>Hard Anodizing Plant</b> Including machineries like: Degreasing/etching (4 Set), Rinsing (7 Set), Desmutting tank (2 Set), Sealing tank (3 Set), Sulphuric acid anodizing type II/III (2 Set), Hot Air Blower (1 Set), Rectifier with pulsar (2 Set), Chilling plant (4Set), Filter (2 Set), Air Agitation unit (1 Set), Exhaust Blower (1 Set), Verticle Scrubber (1 Set), Flight Bar (6 Set), Tracks (1Set), Transporter (1 Set), Service Materials (1 Lot), Centralized control panel (1 Set), Jigs (30 Sets) with Design, Fabrication, Supply, Consultancy, Commissioning and warranty	83.44	Quotation Dated February 27, 2023 from Brite Plater & Electrical Engineers, Bangalore	Valid upto August 26, 2023
4	<b>Multi Kettle Mould &amp; Welding Machine</b> Including machines like: Kettle Straight welding machine (1 Set), 6 Stations kettle brazing machine (1 Set), Multi kettle mould for 6 Stations kettle brazing machine (1 Set), Kettle outer polishing machine (1 Set), Multi kettle mould for outer polishing machine (1 Set), Kettle inner polishing machine (1 Set), Multi kettle mould for inner polishing machine, Heating plate polishing machine (1Set), Multi kettle mould for Heating plate polishing machine (1 Set), Aluminum Plate/holing/Screw/ fixing & riveting (1Set), Gluing Machine (1 Set), Multi kettle mould for heating plate polishing machine (1 Set), Brazing trimming machine (1Set), Multi kettle mould for Brazing trimming machine (1Set), Bending machine (1 Set)	61.46*	Quotation Dated February 25, 2023 from Foshan Youngmax Machine Co. Limited, China	Valid upto August 24, 2023
5.	<b>Forging press Machine</b> Including features like: Model:YM-2000S-8XQ, Nominal force of main cylinder:20000KN, Maximum working pressure of main cylinder: 80Mpa, Maximum travel of movable beam: 250mm, Nominal force of discharge cylinder:120KN, Return cylinder stroke:50mm, Closure height: min 500mm;max 750mm, Effective area of worktable: 750x550mm, Height of worktable from the ground: 840mm, Servo motor power:49Kw, Cooling motor:4Kw, include upper and lower plate Machine weight:22000KG	115.57*	Quotation Dated February 25, 2023 from Foshan Youngmax Machine Co. Limited, China	Valid upto August 24, 2023

6.	<b>Polishing Machines</b> Including machineries like: Outer polishing machine, Inner polishing machine, Side polishing machine, Double head sanding machine, Cover polishing machine	60.59*	Quotation Dated February 25, 2023 from Foshan Youngmax Machine Co. Limited, China	Valid upto August 24, 2023
	<b>Total</b>	<b>514.76</b>		

\* The Quotation was received in US\$. Conversion rate: 1 US\$ = ₹ 82.55 as on March 02, 2023. Reference: <https://www.fbil.org.in/#/home>

\*\* Above estimates are exclusive of GST

Notes:

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
- All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipments or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipments) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipments or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipments and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- We are not acquiring any second hand machinery.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals.

## 2. Funding Capital Expenditure towards construction of factory building

Our Company proposes to utilize Rs. 2500 lakhs for capital expenditure towards construction of factory building at Plot No. 503, 504 & 505, SY No. 96, Vasanthanarasapura 2nd Phase Industrial Area, Yalladadllu Village, Kora Hobli, Tumakuru Taluk, Tumakuru District Karnataka to meet operational efficiencies.

Construction of factory building and canteen includes: Factory Building Civil Works, External infra civil works, Electrical Infrastructure, Lighting Works, Power Works, PHE Works etc. The total estimated cost for said construction is ₹ 4443.64 lakhs, as per the Quotation received from MOXIES Solutions Private Limited and comprises of construction area of 2,35,000 sq ft. The detailed break-down of these estimated costs is as below:

S. No.	Work Description	Material	Labour & Installation amount
1	<b>FACTORY CIVIL WORKS</b>		
a	Excavation and backfilling	-	5.25
b	Concreting works + reinforcement	970.42	341.97
c	Masonry and plastering	50.25	55.51
d	Flooring finishing & painting	107.12	47.22
e	Misc works	9.83	3.22
2	<b>External infra civil works</b>	1,296.04	506.04
3	<b>Electrical Infrastructure</b>	127.71	26.32
4	<b>Lighting Works</b>	95.98	19.90
5	<b>Power Works</b>	403.83	76.31

6	<b>PHE Works</b>		
a	Sanitary & CP Fittings	12.16	3.19
b	CPVC Pipes & Fittings	25.32	10.48
c	PVC Soil,Waste,Vent Pipes And Fittings	17.22	8.42
d	Misc. Items	7.39	1.68
e	Rain Water Harvesting Pits	6.18	1.18
7	<b>Fire Fighting And Alarm System</b>		
a	Pump Room Equipments And Fire Hydrant System	128.96	35.82
b	First Aid Fire Extinguishers	5.86	0.52
c	Analog Addressable Fire Alarm And Detection System	25.12	3.55
d	Laisoning With Fire Department For Fire Noc		7.67
	<b>Total</b>	<b>3289.39</b>	<b>1154.25</b>
	<b>Grand Total</b>		<b>4443.64</b>

Our Company estimates to incur a cost of ₹ 4443.64 lakhs in connection with the proposed construction of factory building, over the three financial years, i.e., Fiscal 2023, Fiscal 2024 and Fiscal 2025, out of which ₹ 769.95 lakhs has been already spent as on December 31, 2022, ₹ 2500 lakhs will be funded through the Net Proceeds and deployed over Fiscal 2024 and Fiscal 2025 and the remaining ₹ 443.64 lakhs will be funded through internal accruals and borrowings. Our company has availed Term loan of Rs 1500 lakhs from Canara Bank towards funding the construction of factory building. As on December 31, 2022, our Company has already incurred a cost of ₹ 769.95 lakhs towards capital expenditure for land filling and civil construction of proposed manufacturing unit out of which ₹ 558.14 lakhs has been financed through funding received from Canara Bank through term loan, as certified by M/s Patel Shah and Joshi, Chartered Accountants, by way of their certificate dated March 20, 2023

#### **Means of Finance for Funding Capital Expenditure towards construction of factory building**

The total estimated capital expenditure to be deployed for the construction of factory building is ₹ 4443.64 lakhs. We intend to fund the cost as follows:

<b>Particulars</b>	<b>Amount (₹ in lakhs)</b>
Net Proceeds	2500.00
Term loan secured towards factory construction activities	1500.00*
Internal Accruals	443.64**
<b>Total estimated cost</b>	<b>4443.64</b>

\* Our company has availed Term loan of Rs 1500 lakhs from Canara Bank towards funding the construction of factory building out of which ₹ 558.14 lakhs has already been deployed towards land filling and civil construction as certified by M/s Patel Shah and Joshi, Chartered Accountants, by way of their certificate dated March 20, 2023

\*\*Out of which Rs. 211.81 lakhs has already been deployed from internal accruals towards land filling and civil construction as certified by M/s Patel Shah and Joshi, Chartered Accountants, by way of their certificate dated March 20, 2023

We have not entered into definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged. All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. For further details, see ***“Risk Factors– We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Issue. Our funding requirements and deployment of the Net Proceeds of the Issue are based on management estimates and quotations from vendors and have not been independently appraised”***

### **3. Funding of working capital requirements**

We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Our Company proposes to utilize ₹ 1000 lakhs of the Net Proceeds in Fiscal 2024 towards our Company’s working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same based on Restated Standalone Financial Statements are mentioned below:

(₹ in Lakhs.)

Sr. No.	Particulars	Actual (Restated)			Estimated	
		March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
<b>I</b>	<b>Current Assets</b>					
	Inventories	3,610.08	4,275.80	6,705.62	6257.00	7295.00
	Trade receivables	5,886.26	5,978.70	6,471.25	7097.00	7794.00
	Short term loans and Advances	510.21	1,242.03	988.98	825.00	250.00
	<b>Total (A)</b>	<b>10,006.55</b>	<b>11,496.53</b>	<b>14,165.85</b>	<b>14179.00</b>	<b>15339.00</b>
<b>II</b>	<b>Current Liabilities</b>					
	Trade payables	2,796.63	2,673.67	4,683.45	4,925.00	1471.00
	Other Current Liabilities	402.46	637.86	827.38	577.50	633.00
	Short Term Provisions	7.54	92.59	52.37	-	-
	<b>Total (B)</b>	<b>3,206.63</b>	<b>3,404.12</b>	<b>5,563.20</b>	<b>5,502.50</b>	<b>2,104.00</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>6,799.92</b>	<b>8,092.41</b>	<b>8,602.65</b>	<b>8676.50</b>	<b>13235.00</b>
<b>IV</b>	<b>Funding Pattern</b>					
	Short Term borrowings & Internal Accruals	6,799.92	8,092.41	8,602.65	8676.50	12,235.00
	<b>IPO Proceeds</b>					<b>1,000.00</b>

#### Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for financial years ended March 31, 2022, March 31, 2021 and March 31, 2020, as well as projections for financial year ended March 31, 2023 and March 31, 2024.

Particulars	Unit	FY 20	FY 21	FY 22	FY 23	FY 24
		Audited	Audited	Audited	Estimated	Estimated
Debtors	Days	97	91	68	65	55
Creditors	Days	62	46	55	60	15
Inventories	Days	49	60	60	60	60

#### Justification:

Sr. No	Particulars	Justification
1	Debtors	The historical holding days of trade receivables has been improving from 97 days in Fiscal 2020 to 68 days in Fiscal 2022. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors is anticipated at 65 days of total revenue from operations during Fiscal 23 and at 55 days of total revenue from operations during Fiscal 24
2	Creditors	Past trend of trade payable holding days has been improving from 62 days in the Fiscal 2020 to 55 days in Fiscal 2022. It is estimated to be 60 days for Fiscal 2023 however, our Company intends to reduce trade payable to 15 days during Fiscal 2024 to avail cash discount as well as competitive purchase price to increase overall profitability of our Company.
3	Inventories	Inventories include raw materials and finished goods. The historical holding days of inventories has been in range 49 to 60 days during the last three financial years. Company estimates inventories holding days to be around 60 days in Fiscal 23 and Fiscal 24

#### **4. General Corporate Purpose**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of Rs. [●] lacs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 5. Public Issue Expenses

The total estimated Issue Expenses are Rs. [●] Lakhs, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs. in Lakh) *	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

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

*(1) Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.*

*(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows*

<i>Portion for Retail Individual Bidders*</i>	<i>0.10 % of the Amount Allotted* (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>0.10% of the Amount Allotted* (plus applicable taxes)</i>

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

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

<i>Portion for Retail Individual Bidders</i>	<i>Rs. 10per valid Bid cum Application Form (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders</i>	<i>Rs. 10per valid Bid cum Application Form (plus applicable taxes)</i>

*Notwithstanding anything contained above the total processing fee payable under this clause will not exceed Rs. 1 Lakh (plus applicable taxes) and in case if the total processing fees exceeds Rs. 1 Lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.*

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

<i>Members of the Syndicate/ RTAs/ CDPs (uploading charges)</i>	<i>Rs. 10per valid application (plus applicable taxes)</i>
<i>Sponsor Bank – Axis Bank Limited</i>	<i>Rs. 6per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement</i>



	and other applicable laws.
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*\*For each valid application by respective Sponsor Bank*

*Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds Rs. 1 Lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.*

*(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:*

<i>Portion for Retail Individual Bidders</i>	<i>0.10 % of the Amount Allotted* (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders</i>	<i>0.10% of the Amount Allotted* (plus applicable taxes)</i>

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

*Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: Rs. 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.*

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

<i>Portion for Retail Individual Bidders*</i>	<i>Rs. 10per valid application (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>Rs. 10 per valid application (plus applicable taxes)</i>

*\* Based on valid applications*

*Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed Rs. 1 Lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds Rs. 1 Lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.*

*The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: Rs. 10plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.*

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

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

#### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

*(Rs. In Lakhs)*

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount to be deployed and utilized in F.Y. 2023-24</b>
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1.	Funding Capital Expenditure towards installation of additional plant and machinery.	514.76
2.	Funding Capital Expenditure towards construction of factory building	2500.00
2.	Funding of working capital requirement	1,000.00
3.	General Corporate Purpose	[•]
	<b>Total</b>	[•]

### Means of Finance

Except as mentioned above for Funding Capital Expenditure towards construction of factory building, the objects are proposed to be funded from the Net Proceeds and by utilizing our internal accruals and bank borrowings. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the Net Proceeds to be raised from the Issue and existing identifiable internal accruals, as prescribed under the SEBI ICDR Regulations.

Subject to applicable law, if the actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in *“Objects of the Issue – Variation in Objects”* on page 77.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled *“Risk Factors”* beginning on page 25 of the Red Herring Prospectus.

### Funds Deployed and Source of Funds Deployed:

Patel Shah & Joshi, Chartered Accountants vide their certificate dated June 16, 2023 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (Rs. in Lakh)
Issue Expenses	17.64
<b>Total</b>	<b>17.64</b>

### Sources of Financing for the Funds Deployed:

Patel Shah & Joshi, Chartered Accountants vide their certificate dated June 16, 2023 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (Rs. in Lakh)
Internal Accruals	17.64
<b>Total</b>	<b>17.64</b>

### Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which

may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

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

### **Monitoring Utilization of Funds**

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

### **Interim Use of Proceeds**

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

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

### **Variation in Objects**

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

### **Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

## **BASIS FOR ISSUE PRICE**

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 25, 96 and 195 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

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

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Our Business**” and “**Financial Statement as restated**” beginning on page 25, 96 and 195 respectively of this Red Herring Prospectus.

## **QUALITATIVE FACTORS**

We believe the following business strengths allow us to successfully compete in the industry:

- A one stop shop for kitchen solutions with a diverse range of products across consumer preferences
- Emerging player in some of the key verticals
- Widespread, well connected distribution network with a presence across multiple retail channels and online e-commerce platforms and a dedicated after-sales network.
- Strong manufacturing capability with efficient backward integration
- Consistent focus on quality
- Experienced Promoter and management team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 96 of the Red Herring Prospectus.

## **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 195 of this Red Herring Prospectus.

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

### **1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 10 each):**

As per the Restated Financial Statements;

Sr. No	Period	Basic & Diluted (₹)	Weights
1.	Period ending March 31, 2022	0.45	3
2.	Period ending March 31, 2021	1.47	2
3.	Period ending March 31, 2020	0.65	1
	<b>Weighted Average</b>	<b>0.92</b>	<b>6</b>
	Period ending December 31, 2022	5.97	

#### **Notes:**

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The face value of each Equity Share is Rs.10.00.
- Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

**2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up**

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2021-2022	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio*	
Highest	128.54
Lowest	25.10
<b>Industry Average</b>	<b>56.61</b>

\*For the purpose of industry, we have considered the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our company.

Average PE have been calculated based on the PE ratio of the Peer company i.e. TTK Prestige Limited, Hawkins Cookers Limited, Stove Kraft Limited, Butterfly Gandimathi Appliances Limited.

**Note:**

- The P/E ratio of our company has been computed by dividing Issue Price with EPS.
- P/E Ratio of the peer company is based on the Annual report of the company for the year 2022 and stock exchange data dated June 13, 2023.

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

Sr. No	Period	RoNW (%)	Weights
1.	Period ending March 31, 2022	1.48	3
2.	Period ending March 31, 2021	4.93	2
3.	Period ending March 31, 2020	2.30	1
	<b>Weighted Average</b>	<b>2.77</b>	<b>6</b>
	Period ending December 31, 2022	16.85	

\*Restated Profit after tax/Net Worth

**Note:**

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period

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

Sr. No.	NAV per Equity Share*	Outstanding at the end of the year/ period
a)	As at March 31, 2022	30.22
b)	As at March 31, 2021	29.77
c)	As at March 31, 2020	28.37
d)	As at December 31, 2022	35.43
e)	NAV per Equity Share before the Issue	[●]
f)	NAV per Equity Share after the Issue	[●]
g)	Issue Price	[●]

\*The above NAV has been calculated giving the effect of Bonus Shares

**Note:**

- The NAV per Equity Share has been computed by dividing restated net worth with weighted average number of equity shares outstanding at the end of the year/period.

## 5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (Rs.)	Face Value (Rs.)	EPS * (Rs.) (FY 22)		PE	RoNW (%) *	Book Value (Rs.)	Total Income (Rs. in Lakhs)
			Basic	Diluted				
Greenchef Appliances Limited	[●]	10.00	0.45	0.45	[●]	1.48%	30.22	33,704.52
<b>Peer Group</b>								
TTK Prestige Limited	720.25	1.00	21.99	21.99	32.75	18.89%	124.79	2,75,750.00
Hawkins Cookers Limited	6350.00	10.00	158.64	158.64	40.03	43.00%	403.21	96,387.31
Stove Kraft Limited	432.05	10.00	17.21	16.96	25.10	16.86%	110.75	1,13,479.30
Butterfly Gandhimathi Appliances Limited	1159.45	10.00	9.02	9.02	128.54	7.03%	131.44	100,724.62

Notes:

\*All the financial information for our Company above is sourced from the Restated Financial Statements. For reconciliation and further details, see **“Other Financial Information”** on page 237.

\*\*Source: All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2022 and stock exchange data dated June 13, 2023 to compute the corresponding financial ratios.

- (1) P/E figures for the peers are based on closing market prices of equity shares on BSE on June 13, 2023 divided by the Basic EPS as at March 31, 2022
- (2) Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the Annual Reports for FY 21-22 of the listed peer companies.
- (3) Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2022 divided by Total Equity as on March 31, 2022.
- (4) NAV per share for listed peers is computed as the Total Equity as on March 31, 2022 divided by the outstanding number of equity shares as on March 31, 2022.

6. The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

## 7. Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated March 20, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by Patel Shah & Joshi, Chartered Accountants, by their certificate dated March 20, 2023

The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages 96 and 242, respectively.

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

## Key Performance Indicators of our Company

(Rs. In Lakhs except percentages and ratios)

Key Financial Performance	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations <sup>(1)</sup>	25,482.78	33,578.47	23,899.10	23,754.52
EBITDA <sup>(2)</sup>	1761.77	728.60	858.34	699.99
EBITDA Margin <sup>(3)</sup>	6.91%	2.17%	3.59%	2.97%
PAT	1021.55	76.54	251.34	111.77
PAT Margin <sup>(4)</sup>	4.01%	0.23%	1.05%	0.47%
Net Worth <sup>(5)</sup>	6,062.39	5,170.68	5,093.27	4,854.57
RoE(% ) <sup>(6)</sup>	18.19%	1.49%	5.05%	2.33%
RoCE (% ) <sup>(7)</sup>	12.52%	4.04%	6.76%	5.78%

\*Not Annualized

### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

### Explanation for KPI metrics

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

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

(₹ in Lakhs except percentages and ratios)

Key Financial Performance	Greenchef Appliances Limited				TTK Prestige Limited**				Hawkins Cookers Limited**			
	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations <sup>(1)</sup>	25,482.78	33,578.47	23,899.10	23,754.52	2,16,616	2,72,245	2,19,420	2,07,299	75,194	95,801.19	76,845.94	67,387.33
EBITDA <sup>(2)</sup>	1761.77	728.60	858.34	699.99	27,826	42,590	32,728	26,307	10,335	11,975.94	11,080.90	10,388.29
EBITDA Margin <sup>(3)</sup>	6.91%	2.17%	3.59%	2.95%	12.85%	15.64%	14.92%	12.69%	13.74%	12.50%	14.42%	15.42%
PAT	1021.55	76.54	251.34	111.77	19,472	30,543	23,678	18,454	7197	8388.63	8063.55	7248.91
PAT Margin <sup>(4)</sup>	4.01%	0.23%	1.05%	0.47%	8.99%	11.22%	10.79%	8.90%	9.57%	8.76%	10.49%	10.76%
Net Worth <sup>(5)</sup>	6062.39	5170.68	5093.27	4854.57	Not Available <sup>#</sup>	1,72,957.00	150,501.00	130,626.00	Not Available <sup>#</sup>	21,317.98	17,762.44	13,965.46
RoE(%) <sup>(6)</sup>	18.19%	1.48%	5.05%	2.33%	Not Available <sup>#</sup>	18.89%	16.85%	14.93%	Not Available <sup>#</sup>	43%	51%	56.13%
RoCE (%) <sup>(7)</sup>	12.52%	4.04%	6.76%	5.78%	Not Available <sup>#</sup>	21.58%	18.59%	17.10%	Not Available <sup>#</sup>	46%	52%	59.12%

Key Financial Performance	Butterfly Gandhimathi Appliances Limited**				Stove Kraft Limited**			
	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations <sup>(1)</sup>	86,975.49	1,00,530.40	86,963.81	67,869.50	1,00,579.20	1,13,635.90	85,895.70	66,986.10
EBITDA <sup>(2)</sup>	8869.88	5,136.25	7,852.81	4074.57	8726.60	9327.30	11,300.00	3375.90
EBITDA Margin <sup>(3)</sup>	10.20%	5.11%	9.03%	6.00%	8.68%	8.21%	13.10%	5.04%
PAT	5010.58	1612.68	3615.81	397.90	4177.20	5621.50	8145.60	317.10
PAT Margin <sup>(4)</sup>	5.76%	1.60%	4.16%	0.59%	4.15%	4.95%	9.47%	0.47%
Net Worth <sup>(5)</sup>	Not Available <sup>#</sup>	23,500.61	22,399.48	19,268.08	Not Available <sup>#</sup>	36,401	30,144.80	6018.10
RoE(%) <sup>(6)</sup>	Not Available <sup>#</sup>	7.03%	17.36%	1.69%	Not Available <sup>#</sup>	16.86%	27%	(5.27%)
RoCE (%) <sup>(7)</sup>	Not Available <sup>#</sup>	12%	21%	7.62%	Not Available <sup>#</sup>	14.17%	31.90%	9.30%

\*Not Annualised



*\*\*All the information for listed industry peers mentioned above is sourced from their respective unaudited financial results for the period ended on December 31, 2022 and from the Annual Reports of FY 21-22, FY 20-21 and FY 19-20.*

*#Not Available = Data of certain KPI's of the Company's listed peers is either not available in the public domain or the basis and manner of calculation of the figures mentioned is not ascertainable and therefore, may not be an accurate comparison with the Company's information and hence not mentioned.*

**Notes:**

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

## 9. Weighted average cost of acquisition

- a) The price per share of our Company based on the primary/ new issue of equity shares

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue allotted on February 20, 2023 during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

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

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

### Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Red Herring Prospectus:

Date of Allotment	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
February 20, 2023	1,35,44,340	10/-	Nil	Bonus Issue in ratio of 19:5	Other than Cash	Nil

### Secondary Transactions:

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

- d) Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^^	NA^^	NA^^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	Nil	Not defined	Not defined

### Note:

^There were no primary / new issue of equity shares other than Equity Shares issued pursuant to a bonus issue allotted on February 20, 2023, in last 18 months and three years prior to the date of this Red Herring Prospectus.

^^ There were no secondary sales / acquisition of shares of equity shares in last 18 months and three years from the date of this Red Herring Prospectus.

Greenchef Appliances Limited is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Bangalore Edition of Regional newspaper Udayakala where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the abovementioned information along with "***Our Business***", "***Risk Factors***" and "***Restated Financial Statements***" on pages 96, 25 and 195 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" or any other factors that may arise in the future and you may lose all or part of your investments.

## **STATEMENT OF SPECIAL TAX BENEFITS**

**To,**

The Board of Directors  
**Greenchef Appliances Limited**  
No. 477 E, IV Phase, Peenya Industrial Area,  
Bangalore - 560 058,  
Karnataka, India

Dear Sirs,

**Sub: Statement of Tax Benefits ('The Statement') available to Greenchef Appliances limited ('The Company') and its shareholders under the Direct and Indirect Tax Laws in India**

We hereby report that the enclosed annexure prepared by the management of **Greenchef Appliances limited**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

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

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

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

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s Patel Shah and Joshi**  
**Chartered Accountants**  
FRN 107768W

Sd/-

**Jayant Mehta**  
**Partner**  
M. No.042630  
Place: Bangalore  
Date: March 20, 2023  
UDIN: 2342630BGXOBA1466

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

*The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in 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.*

### **A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

### **B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

#### **Notes:**

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## **SECTION V: ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information contained in this section is derived from the report title 'Indian Kitchen Appliances Industry' dated March 22, 2023 prepared by CARE Advisory Research & Training Ltd. ("CareEdge Report" report) contained in this section is derived from the report titled and paid for by our Company in connection with the Issue. CARE Advisory Research & Training Ltd is an independent agency and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Red Herring Prospectus. For risks in relation to commissioned reports, see "Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report issued by CARE Advisory Research & Training Ltd dated March 22, 2023 ("CareEdge Report"). There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate" on page 444.*

*CARE Advisory Research & Training Ltd has taken due care and caution in preparing the CareEdge Report based on the information obtained from sources generally believed to be reliable. The market information in this Report is arrived at by employing an integrated research methodology which includes secondary and primary research. CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research's proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever. This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.*

#### **Global economy outlook**

As per the International Monetary Fund (IMF)'s World Economic Outlook growth projections released in October 2022, the world economy grew by 6 % in CY21<sup>1</sup> majorly due to economic recovery and the lower base. For CY22, global economic growth is estimated at 3.2% citing disruptions due to the Russia-Ukraine conflict and higher-than-expected inflation worldwide. CY23 global economic growth is projected to slow down further to 2.7% mainly due to tightening global financial conditions, expectations of steeper interest rate hikes by major central banks to fight inflation, a sharper slowdown in China and spillover effects from the war in Ukraine with gas supplies from Russia to Europe tightening. The IMF projects world economic growth between 2.6%-3.3% on year on year (Y-o-Y) basis for next 5 years.

#### ***IMF revises the GDP growth outlook considering uncertainties relating to global inflation***

#### **Advanced Economies Group**

For the major Advanced economies group, the GDP growth is estimated to be lower at 2.4% in CY22 and projected at 1.1% in CY23. One of the major countries from this group is United States.

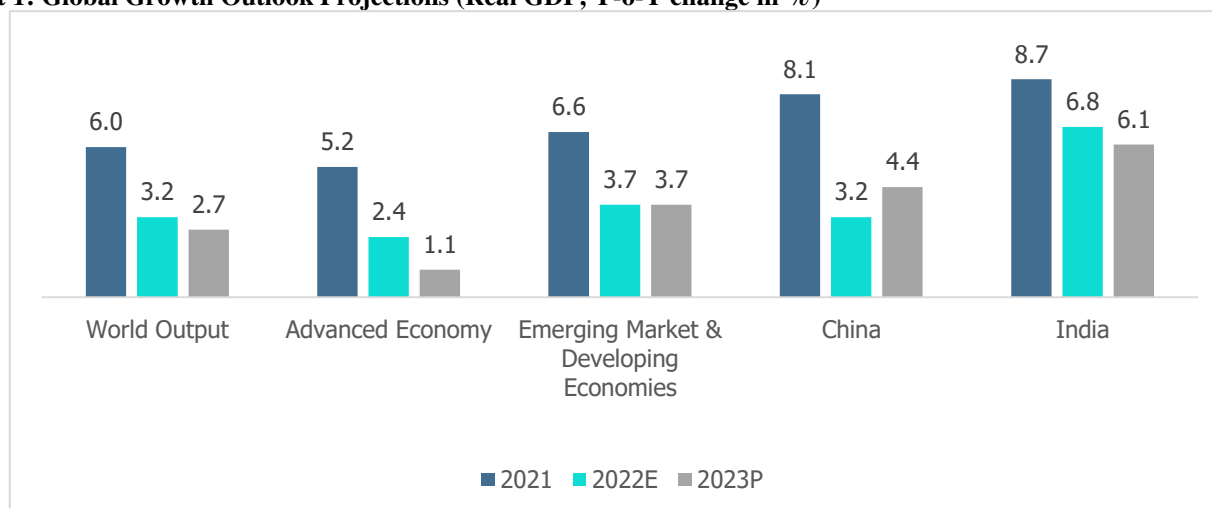
The baseline growth for United States is revised down by 0.7 percentage points for CY22 and remains unchanged for CY23. This is reflective of declining real disposable income impacting consumer demand with higher interest rates taking toll on spending.

The growth in Euro Area is comparatively less pronounced than that in United States, which displays average of performance of the member countries in Euro Area. Recovery in tourism related services and industrial production in Italy and Spain, Russian gas supply cuts, tighter financial conditions, with rapidly rising policy rate reflects upward revision of 0.5 percentage point in CY22 and downward revision 0.7 percentage point in CY23.

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<sup>1</sup> CY – Calendar Year

**Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)**



Notes: E- Estimated; P-Projection

\*For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market price with fiscal year 2011/12 as a base year.

Source: IMF – World Economic Outlook, October-2022

### Emerging market and developing economies group

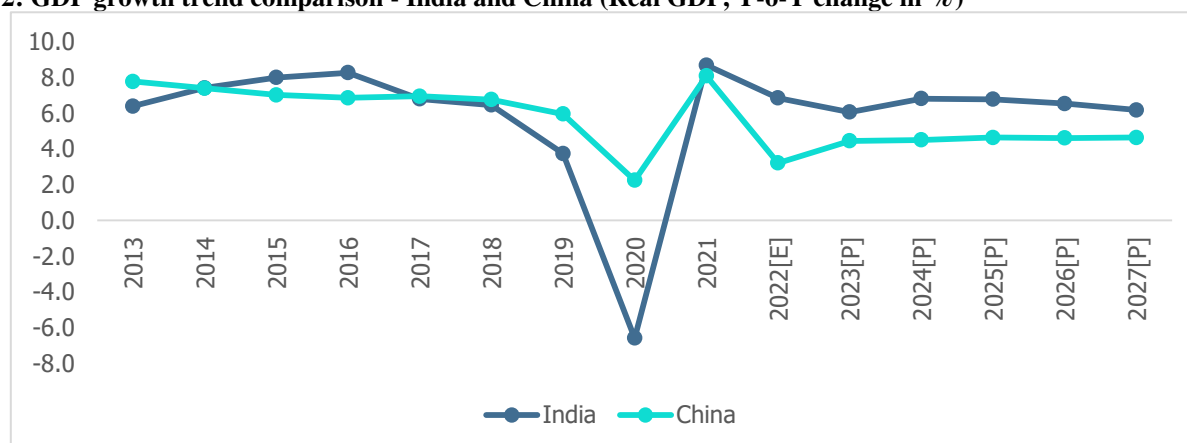
For the Emerging market and developing economies group, GDP growth is estimated to have declined to 3.7% in CY22 and projected to sustain at that level in CY23. This downgrade is primarily reflection of sharp slowdown in China's economy and moderation in India's economic growth. The China's GDP growth is estimated to slow down to 3.2% in CY22 and then pick-up to 4.4% in CY23. This is the lowest growth in more than four decades, excluding the initial COVID-19 crisis in CY20. Shanghai, a major global supply chain hub, entered a strict lockdown in April 2022 due to worrisome surge in Covid-19 cases, forcing citywide economic activity to halt for about eight weeks. The worsening crisis in China's property sector is also dragging down sales and real estate investment. Furthermore, COVID-19 pandemic related intermittent lockdowns continue to adversely impact economic growth.

The estimates for India's GDP growth have been downgraded to 6.8% in CY22 and 6.1% in CY23. This downgrade is majorly reflection of weaker-than-expected outturn in the second quarter and more subdued global demand.

### India to remain fastest growing economy transcending China

Despite of the turmoil in last two-three years, India bears good tidings for becoming USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices for India, the current GDP is estimated to be at USD 3.5 trillion for CY22 and projected to be at USD 5.5 trillion by CY27. The expected GDP growth rate of India for coming years is almost double as that of world economy.

**Chart 2: GDP growth trend comparison - India and China (Real GDP, Y-o-Y change in %)**



*E-Estimated; P- Projections; Source: IMF, World Economic Outlook Database (October 2022)*

Besides this, India stands out as the fastest growing economy amongst the major economies. Outshining the growth rate of China, the Indian economy is expected to grow at more than 6% rate in the period of CY23-CY27.

Indian economy is paving its way towards becoming largest economy in the world. Currently, India is the third largest economy globally in terms of Purchasing Power Parity (PPP) with ~7% share in global economy with China [~18%] on the top and United states [~15%] being second. Purchasing Power Parity is an economy performance indicator denoting price of an average basket of goods and services that a household needs for livelihood in each country. In spite of the pandemic and the geo-political tensions in Europe, India has been one of the major contributors to world economic growth.

## **Indian Economy Outlook**

### **GDP growth and Outlook**

#### ***Resilience to external shocks remains critical for near-term outlook***

The FY21<sup>2</sup> started with the country being hit by the pandemic which saw lockdowns and restrictions being imposed across states. This impeded economic output in Q1FY21 and led to a year-on-year (y-o-y) decline of 23.8% in GDP. By the end of Q4FY21, the economy preceded the way to recovery. In broader sense, the pandemic resulted in 6.6% negative growth for the Indian economy in FY21.

The Indian economy bounced back strongly in Q1FY22 with 20.1% y-o-y growth due to lower base effect. The easing of lockdowns and restrictions across states since June coupled with the decline in Covid-19 cases and higher vaccination rate facilitated higher economic activity as reflected in the GDP for Q2FY22, which grew annually by 8.4%. The dip in Q3FY22 of 5.4% can be attributed to the fading base effect. India's economy recorded modest growth of 4.1% in Q4FY22, down from 5.4% in the previous quarter. The economy was hit by the third wave of Covid-19 pandemic during the quarter. Global supply bottlenecks due to the Russia-Ukraine dispute and higher input costs slowed down the pace of recovery in the last quarter. Overall, India is estimated to have witnessed 8.7% growth in FY22.

In Q1FY23, India recorded 13.5% growth in GDP which can largely be attributed better performance by agriculture and services sectors. Following this double-digit growth, Q2FY23 witnessed 6.3% growth. This slowdown in growth as compared to the previous quarter can be accounted to the normalization of base and a contraction in the manufacturing sector's output. Prospectively, announcements in the Union Budget 2022-23 on boosting public infrastructure through enhanced capital expenditure are expected to augment growth and crowd in private investment through large multiplier effects in FY23. However, heightened inflationary pressures and resultant policy tightening may pose risk to the growth potential.

### **GDP growth outlook**

**Table 1: RBI's GDP Growth Outlook (Y-o-Y %)**

Q3FY23	Q4FY23	FY23 (complete year)	Q1FY24	Q2FY24
4.4	4.2	6.8	7.1	5.9

*Source: Reserve Bank of India*

With improvement in demand for contact-intensive sectors as well as positive business and consumer sentiment, the discretionary spending and urban consumption is expected to bolster economic growth. Along with increasing government support and push towards capex, the investment activities are expected to stay upright through improving bank credit and increasing capacity utilization. On the other hand, headwinds from geopolitical tensions, tightening global financial conditions and slowing external demand pose downside risks to net exports and hence to India's GDP outlook.

Taking all these factors into consideration, in December 2022, the RBI in its bi-monthly monetary policy meeting estimated the real GDP growth to be at 6.8% for FY23.

## **Industrial Growth**

### ***Improved core sector and capital goods sector helps in IIP growth momentum***

Index of Industrial production (IIP) is an index to track manufacturing activity in an economy.

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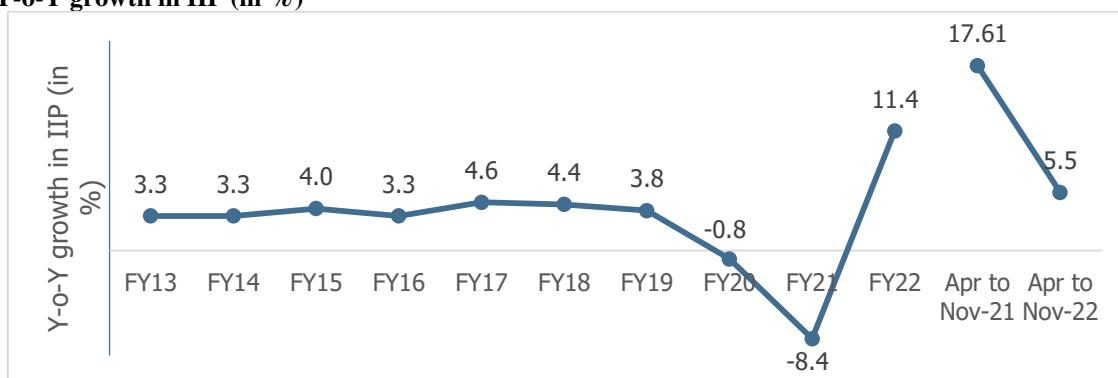
<sup>2</sup>FY – Financial Year



On a cumulative basis, IIP grew by 11.4% in FY22. However, this high growth is mainly backed by a low base of FY21. FY22 IIP was higher by 2.0% when compared with the pre-pandemic level of FY20, indicating that while economic recovery is underway, it is still very nascent.

Moreover, in this current year, IIP registered 5.5% growth for the cumulative period April – November 2022. This growth is supported by favorable base and momentum effect. Going ahead, it will be critical for the current growth momentum in the industrial sector to be maintained. In the environment of global slowdown, maintaining growth in Industrial output will depend on the resilience and momentum of domestic demand recovery. Healthy credit growth and moderating inflation in the economy is likely to be supportive of domestic consumption demand in the months to come. Pick up in the investment demand is also expected to be supportive of segments like capital goods and infrastructure. However, industrial sector might feel the pinch of global slowdown as reflected by contraction in the export dependent sectors.

**Chart 3: Y-o-Y growth in IIP (in %)**



Source: MOSPI

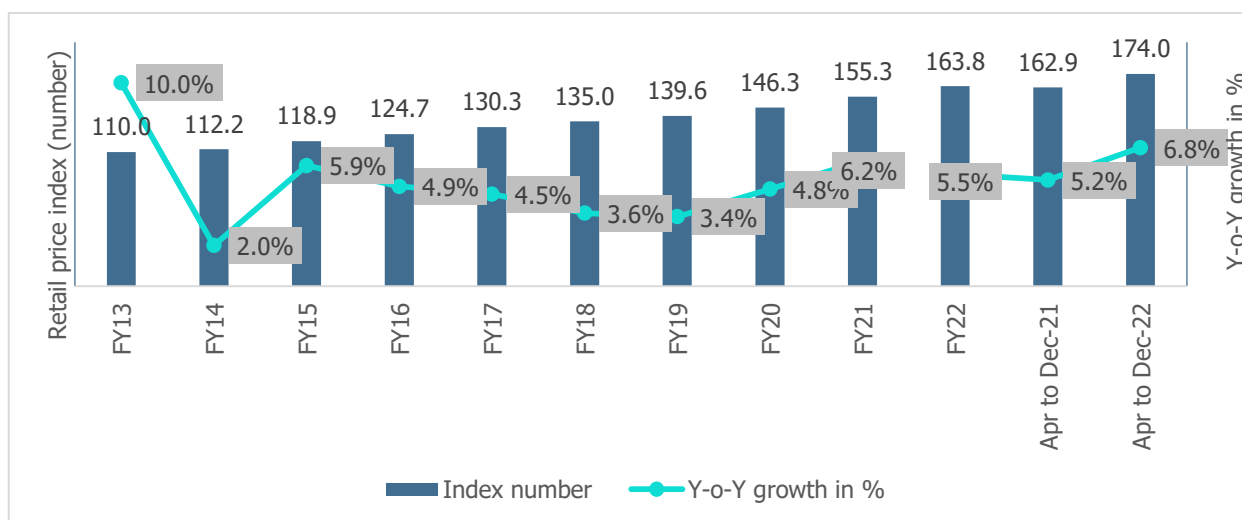
Going forward, moderating inflation in the economy is likely to be supportive of domestic demand in the months to come. Easing of global commodity prices is also expected to aid the manufacturing sector in the coming quarter by reducing the input cost.

## Consumer Price Index

### CPI continues to remain high

Inflation has reappeared as a global issue in both advanced and emerging economies. India's retail price inflation stood at 5.5% in FY22 which is within the targeted tolerance band of 6%. The consumer inflation started to upswing from October 2021 onwards. As per the monthly numbers, the inflation rate reached the tolerance level of 6% in January 2022. Following this, the month of March 2022 registered 6.9% rate.

**Chart 4: Retail Price Inflation in terms of index numbers and Y-o-Y Growth in % (Base: 2011-12=100)**



Source: MOSPI

Consecutively, during the cumulative period of April 2022 – December 2022, the inflation rate remained above the RBI's tolerance level, surpassing the band of 6.8%. The retail inflation touched low of 5.7% in December 2022 retreating back into the RBI's tolerance band for the second consecutive month after 5.9% in previous month. The moderation in inflation, primarily food inflation is comforting but it is mostly led by vegetables which are susceptible to weather fluctuations.

The CPI is primarily factored in by RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in December 2022, RBI projected inflation to be at 6.7% for FY23. For the Q3FY23, estimations were made at 6.6% and 5.9% for Q4FY23. Going forward, CPI inflation for Q1FY24 is projected at 5% and for Q2FY24 at 5.4%.

### ***RBI tightening the monetary policy to tame the inflation***

RBI hiked its policy repo rate by 35 basis points (bps) to 6.25% in a meeting held between 5-7 December 2022. RBI maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate at 6.00% as the floor and the marginal standing facility (MSF) at the upper end of band at 6.50%.

The central bank continued to maintain its stance as accommodative.

The consecutive rate hike by RBI has come against the backdrop of intensifying inflationary pressures in the global and domestic economies. With the US dollar index appreciation to a two decade high in July 2022, both advanced and emerging economies witnessed weakening of their currencies against the US dollar. RBI foresees this could lead to imported inflationary pressure. With domestic economic activities gaining traction, RBI has shifted gear to prioritize controlling inflation. RBI continues to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

## **OVERVIEW ON KITCHEN APPLIANCES INDUSTRY**

Kitchen appliances are mainly the appliances used for smooth and easy cooking. These appliances are used in household and other places for daily cooking needs. Users can reduce their time and efforts required for cooking activities effectively with the help of such appliances. The kitchen appliances are available in numerous colors, styles, materials, sizes and mechanisms and have extensive applications in the residential and commercial sectors across globe. Demand for easy and fast cooking appliances is expected to increase along with technological advancement which is catalyzing the growth of this industry in coming years.

The kitchen appliances are sub-segment of the consumer durable industry. The consumer durable industry as a whole can be broadly classified into 3 sectors:

- **White Goods:** White goods mainly include air conditioners, refrigerators, washing machines, audio equipment and speakers.
- **Brown Goods:** These kind of consumer durable goods mostly include kitchen appliances like chimneys, electric fans, grinders, iron, microwave ovens, mixers and varied other cooking ranges.
- **Consumer Electronics:** Some of the most commonly used consumer electronic goods are DVD players, MP3 players, mobile telephones, telephones, VCD players etc.

Considering this classification, kitchen appliances are broadly covered under white goods as well as brown goods.

## **OVERVIEW ON GLOBAL KITCHEN APPLIANCES INDUSTRY**

The global kitchen appliances market has reached approximately USD 250 billion in the year 2022. It is thereafter projected to grow at 4%-5% CAGR by the year 2027. Globally, Asia Pacific has emerged as booming region along with Europe.

The key growth drivers for global kitchen appliances demand is growing world's population, rapid urbanization and exponential growth in household sector in emerging economies and increase in disposable income. According to the United Nations (UN), the world's population stood at 7.9 billion in the year 2021 and expected to touch 9.7 billion in the year 2050. With this, kitchen appliances market is expected to witness steady growth as kitchen will continue to be essential center for domestic activities propelling the demand for kitchen appliances globally.

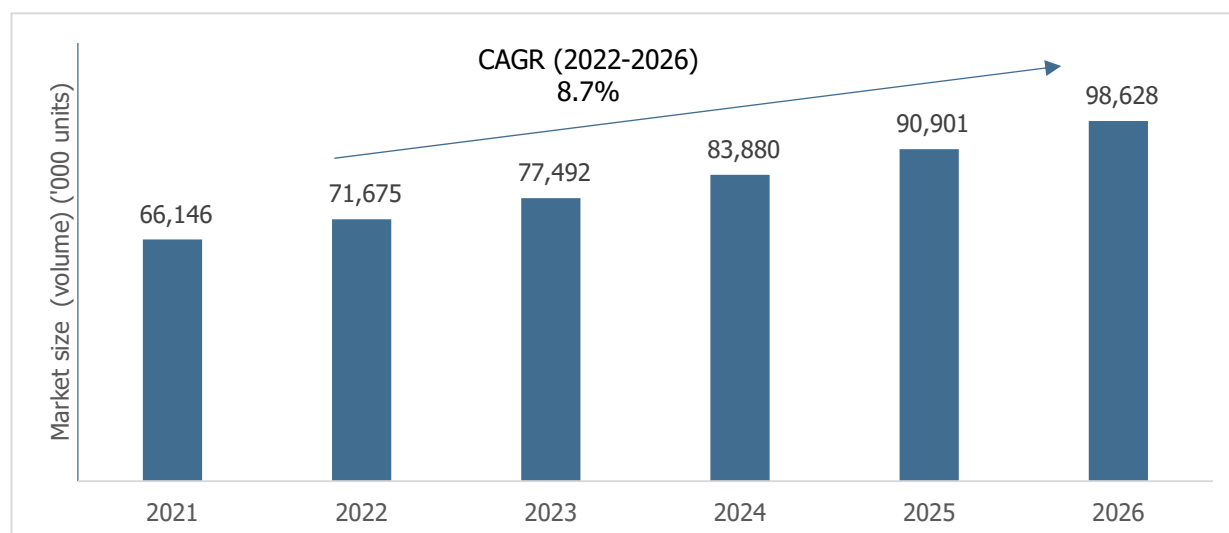
## **OVERVIEW ON INDIAN KITCHEN APPLIANCES INDUSTRY**

The Indian Consumer Durable Industry (which includes domestic appliances and consumer electronics) is forecasted to double its market value in next 3 years and expected to reach around USD 18 billion (around Rs. 1.4 trillion) by the year 2050, according to the Consumer Electronics and Appliances Manufacturers Association (CEAMA). CEAMA is also optimistic to make India the alternative hub for exports.

The kitchen appliances industry in India is expected to grow at a CAGR of 9.0% during the period of 2022-2026 in terms of volumes. This industry is expected to grow due to increased technological advancements, cost and energy efficiency, leading to improved product awareness and a rise in demand from the tier-II and tier-III cities. This market has been growing well for the past few years and is expected to grow further based on the increasing consumer consumption trends and the rise in per capita income. Several stores were shut for several months during the COVID-19 lockdowns, resulting in a major drop in demand for kitchen home appliances. The growth is supported by an increased demand for branded products and modern kitchen appliances owing to increasing disposable incomes and changing lifestyle, which instigate an inclination toward sophistication of kitchens, especially for the growing working women population. India's food industry is also rapidly expanding which is leading to a growth in kitchen appliances industry. The expansion of retail shops, restaurants, and cafes has a favourable impact on the growth of the kitchen appliances sector. Growing online retailing is also giving further impetus to the market to venture into this strongly emerging channel of distribution to capture maximum sales, and meet the consumer demand effectively.

Based on product types, the market has been segmented into gas stoves & hobs, non-stick cookware, pressure cooker, mixer grinder, wet grinders, induction cooktops, kettles, and rice cookers. Based on distribution channels, the market has been classified into online and offline. Offline distribution channels are important in the Indian kitchen appliances market, particularly for conventional products such as mixer grinders, gas stoves, and pressure cookers. In India, brick-and-mortar retail establishments continue to be the dominant distribution method for these products. The majority of buyers still prefer to buy kitchen appliances in physical stores where they can touch and feel the goods and get advice from sales personnel.

#### Indian Kitchen Appliances Market Estimation and Forecast Analysis, 2022 - 2026 (in Volumes)

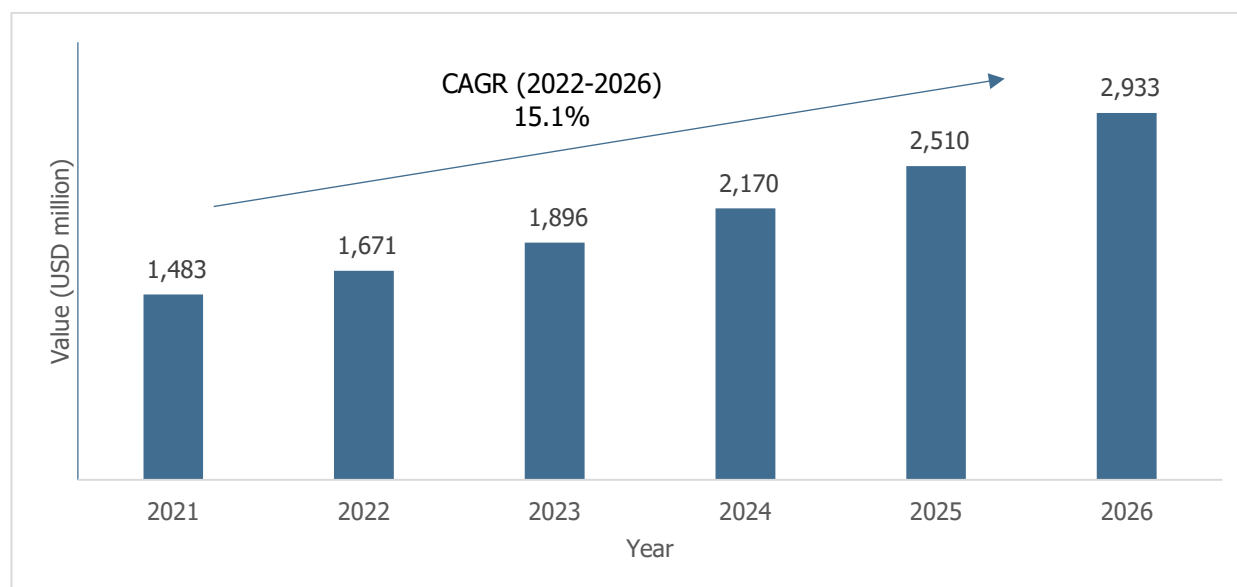


*Note: includes Pressure cooker, Mixer Grinder, Wet Grinder, Gas stoves and hobs, Non-stick cookware, Induction cooktop, Kettle and Rice cooker*

*Source: CareEdge Research, Research Dive*

The India kitchen appliances market is anticipated to reach USD 2,933 million by the year 2026, increasing from USD 1,671 million in the year 2022, at a CAGR of 15.1%. The industry is thriving with the increasing demands of vast and diverse user base in the country. The kitchen appliances are majorly utilised by the urban and the semi-urban sectors. The contribution from rural economy has only begun recently from this sector. About two-third of Indian kitchen appliances is sold in the urban centres and major metropolitan cities. Metros such as Mumbai and Delhi are emerging as consumption hubs for kitchen appliances. The presence of both organized and unorganized firm characterizes the market, with the former accounting for majority of the market share. The rise of ecommerce and the increase in demand for smart kitchen equipment presents considerable growth potential for manufacturers. The presence of a significant number of unorganized competitors offering low-cost items, as well as highly price sensitive mentality of Indian consumers, pose difficulties to the Indian kitchen appliances industry. In addition to that, supply chain delays and geopolitical tensions around the world are expected to impede the Indian kitchen appliances market growth during the forecast time.

### Indian Kitchen Appliances Market Estimation and Forecast Analysis, 2022 - 2026 (in Value)

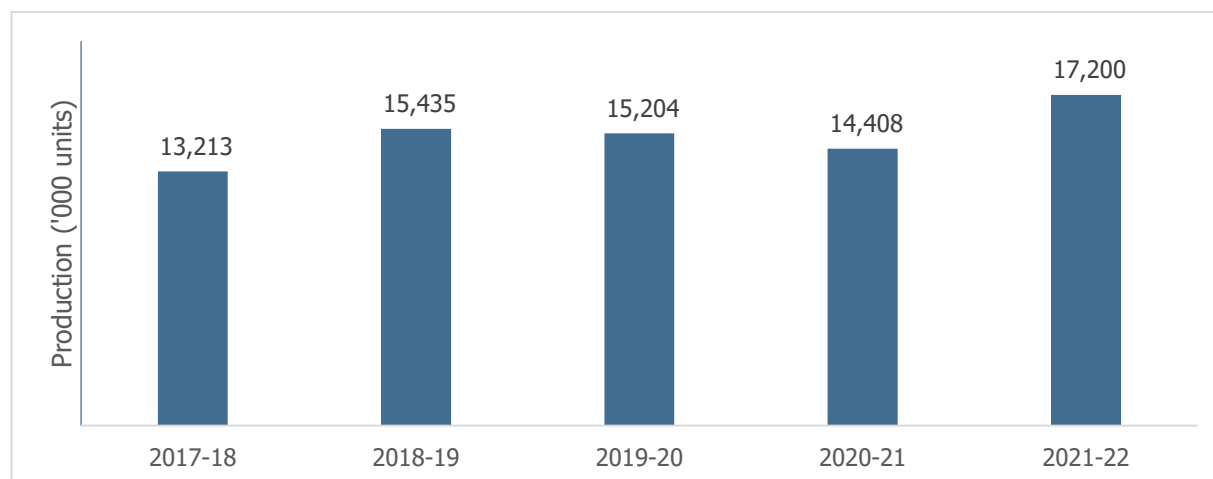


*Note: includes Pressure cooker, Mixer Grinder, Wet Grinder, Gas stoves and hobs, Non-stick cookware, Induction cooktop, Kettle and Rice cooker*

*Source: CareEdge Research, Research Dive*

The production of kitchen appliances witnessed a slowdown in the year 2020-21 due to Covid-19 pandemic after which the year 2021-22 marked better production volume compared to the pre-pandemic year.

### Production trend of kitchen appliances industry

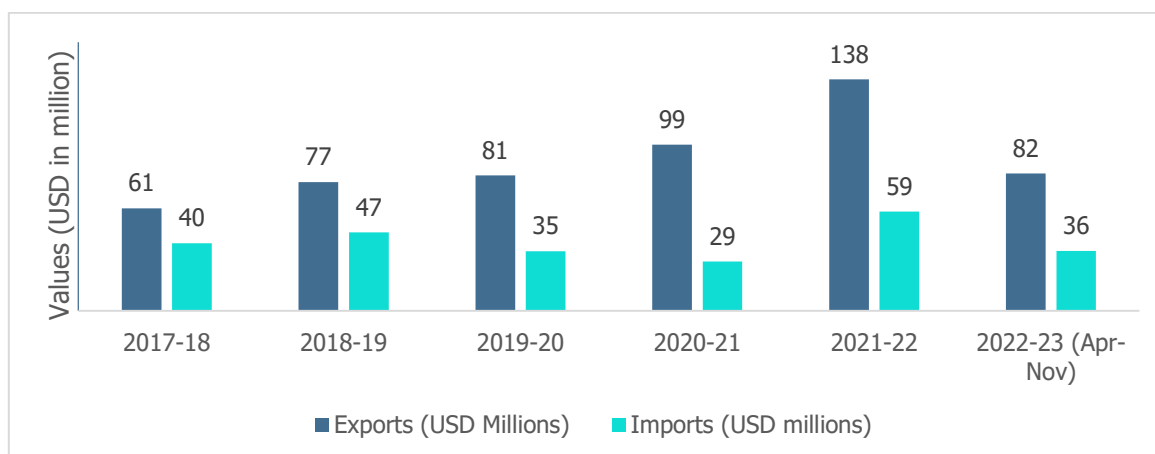


*Note: includes electric cooking appliances, non-electric heating appliances for cooking, electric water heaters and pressure cooker; Source: CMIE, CareEdge Research, Research Dive*

In terms of sales channel, the online market is gaining traction but offline market which includes retail stores still account for major proportion of sales.

Further to this, India is an emerging market for kitchen appliances in global trade as well. This industry has registered significant growth in past years with consistent product innovations at attractive prices and packaging. The Indian companies are striving to make India a global hub for exports. In the year 2021-22, the export value witnessed about 40% growth compared to the previous year. Below chart depicts the export and import trend in past 5 years

## Export and Import trend of Kitchen Appliances in India



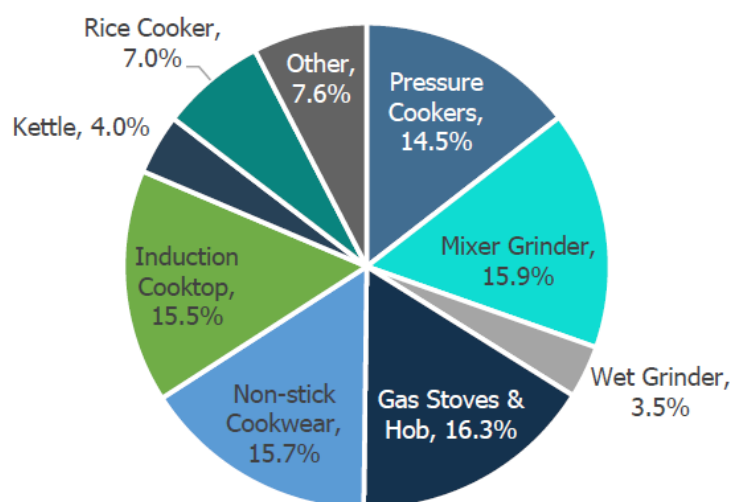
*Note: Includes Stove Gas, Pressure Cooker, Non-Stick Appliances, Grinders and Mixers*

*Source: Department of Commerce (Government of India), CareEdge Research, Research Dive*

### Market share – Product-wise

In terms of Product-wise market share, Gas stove and hobs account for about 16.3%, followed by Mixer grinder 15.9%, Non-stick cookware 15.7%, Induction cooktop 15.5%, Pressure cooker 14.5%, Rice cooker 7%, Kettle 4%, Wet grinder 3.5% and others 7.6%.

### Product-wise Market share in %



*Source: CareEdge Research, Research Dive*

### KEY SEGMENTS OF KITCHEN APPLIANCES INDUSTRY

The kitchen appliances market broadly can be segmented into two categories:

- 1) Large Appliances
- 2) Small Appliances

The large cooking appliances holds major proportion in terms of revenue in cooking appliances market, where as in terms of volume small cooking appliances holds higher proportion.

### LARGE COOKING APPLIANCES

Large cooking appliances include chimneys, gas stove cooktops and hobs. Chimneys also known as kitchen hood refers to the appliance that absorb fumes/smoke produced in the kitchen which acts as a ventilation device. On the other hand, cooktop and

hobs are gas stove tops that are installed on the kitchen surface for cooking. These cooktops and chimneys are widely used in households, restaurants, cafes and other eateries.

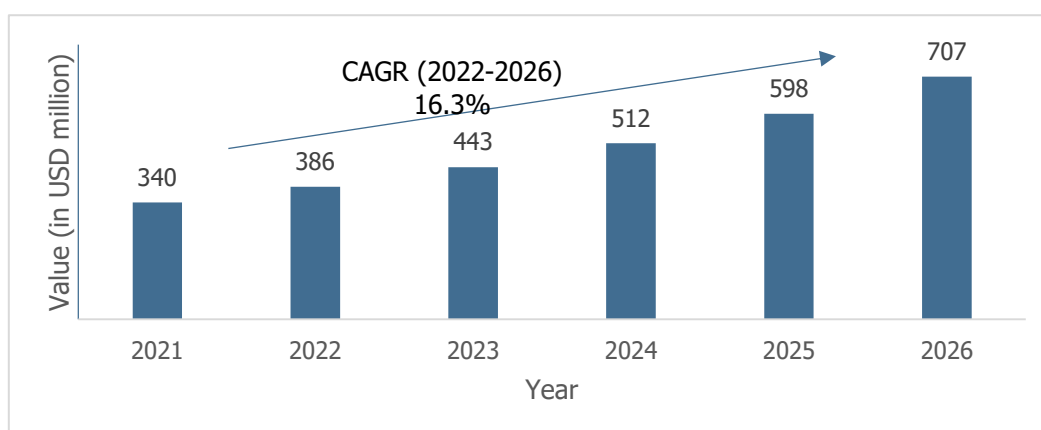
In terms of market segmentation, residential usage holds higher proportion than the commercial usage.

## • GAS STOVE AND HOBS

Gas stoves and hobs are popular choices for Indian kitchens due to their affordability, reliability, and ease of use. The major factors that are fueling the market are the growing demand in food industry, technological advancements and rapid adoption of modular kitchen appliances in the urban and semi-urban areas. In addition to the above, the rising demand for such appliances is also being driven by increasing number of smart homes and customers' desire to improve the standard of living, aided by their rising disposable income levels. Furthermore, supportive government initiatives and programmes that promote clean cooking in urban areas and use of LPG for cooking is supporting the gas stoves and hobs demand.

The gas stove and hobs market is expected to grow at CAGR of 16.3% during the period of 2022-2026 in value terms supported by increase in average price due to product innovation and rising affordability.

### Market size for Gas Stove and Hobs (by value)



Source: CareEdge Research, Research Dive

### Channel-Wise Distribution

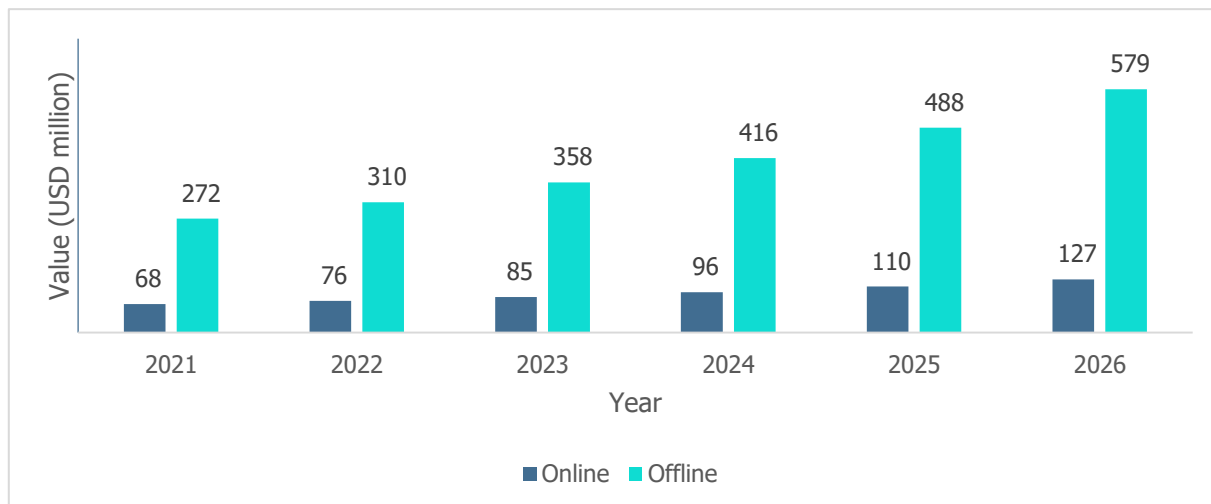
**Online Segment** - India's online market for kitchen appliances has grown significantly in recent years due to an increase in Internet penetration. This has made it easier for consumers to compare the prices and features of various appliances and make purchasing decisions. Furthermore, the consumer's easy access to online payment banking solutions such as net banking, debit & credit cards, UPIs, and others is expected to further boost the segment demand in the Indian kitchen appliances market.

**Offline Segment** – A gas stove is a cooking appliance that uses combustible gas for cooking. Customers prefer to buy gas stoves and hobs from specialty stores because they can better understand the product features in person from sales representatives. Furthermore, the provision of discounts and offers on various products by such stores is likely to attract people to purchase kitchen appliances from such stores. These factors are likely to boost the growth of the offline segment in the Indian kitchen appliances market. Retail chains are the key contributors to increasing the consciousness levels regarding products among Indian consumers.

The sales generated for gas stoves and hobs are more through offline channel as compared to the online channel.

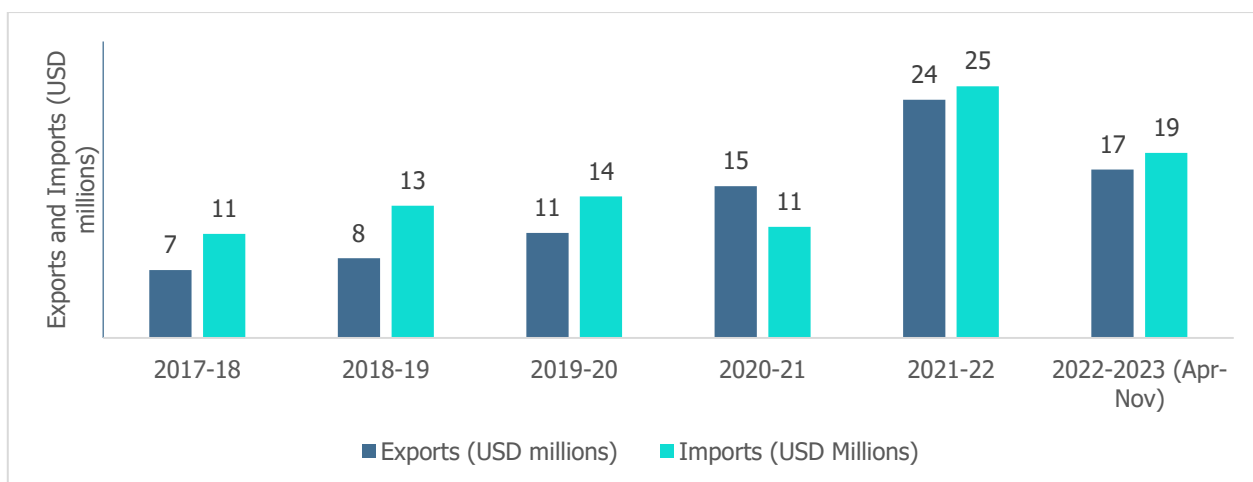
In terms of value, the offline channel is expected to grow at a CAGR of 16.9% between 2022-2026 while the online channel is expected to grow at a CAGR of 13.9% within the same time period.

### Distribution channel analysis for Gas Stove and Hobs (by value)



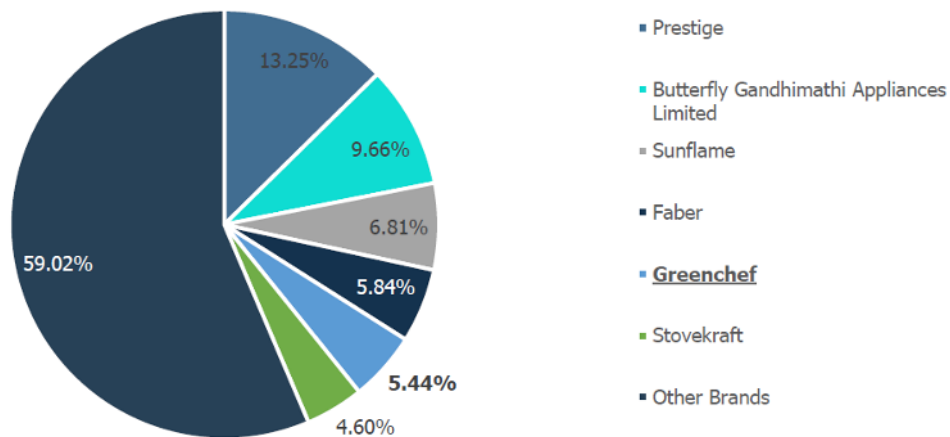
Source: CareEdge Research, Research Dive

### Export and Import trend of Gas and Fuel based Stoves



Source: Department of Commerce (Government of India)

### Brand Share Analysis – Gas Stove and Hobs



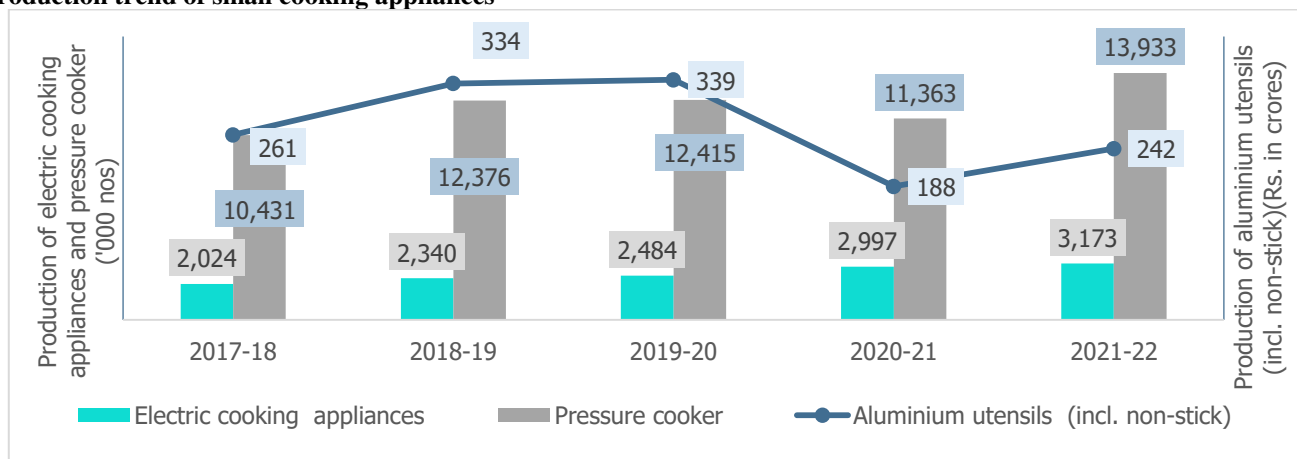
Source: CareEdge Research, Research Dive

Gas Stove and hobs	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Value (Value in USD million)	386	707	16.3%
Market leader (2022)	Prestige	(13.25% % of value)	
Greenchef's Share (2022)	Greenchef	(5.84% of value)	

### SMALL COOKING APPLIANCES

Small cooking appliances include appliances pressure cooker, electric cooking appliances like mixer, grinder, non-stick appliance and other small appliances like kettle, rice cookers etc. Below is the production volume trend of electric cooking appliances (like mixer/grinder), pressure cooker and non-stick appliances.

#### Production trend of small cooking appliances

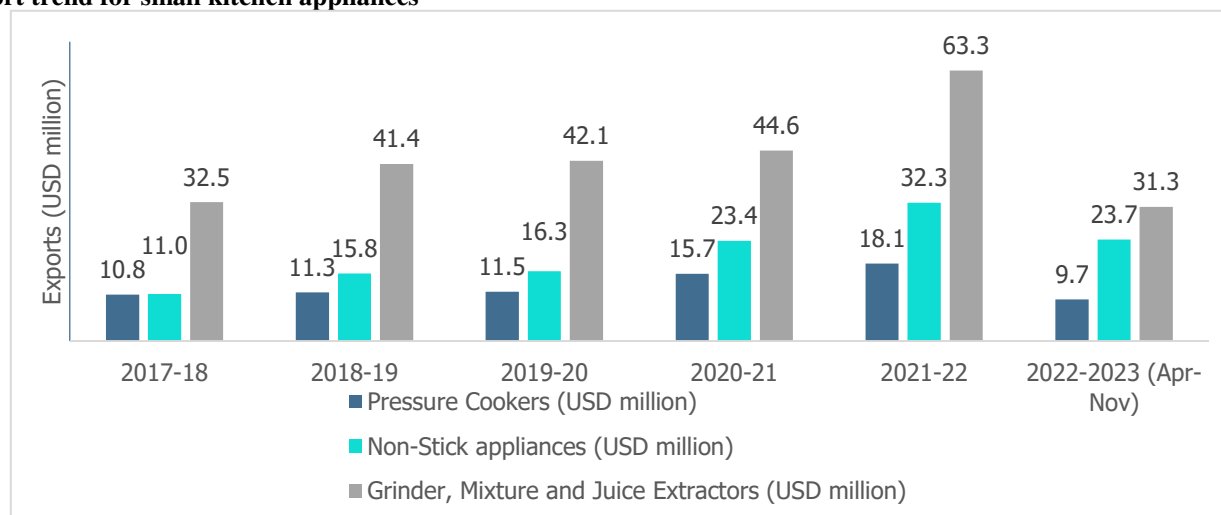


Source: CMIE

Production of electric cooking appliances witnessed 6% y-o-y growth in the year 2022 in terms of volume, surpassing even the pre-pandemic level of production by 28%. On the other hand, production of pressure cooker in terms of volume registered 23% of y-o-y growth in the year 2022 which is 12% higher than the pre-pandemic year. Meanwhile, the Wholesale Price Index of small kitchen appliances registered about 2.2% CAGR in the past 10 years.

Small cooking appliances are also traded globally. Pressure cooker, non-stick appliances and grinder/mixer and juice extractors account for 0.004%, 0.01% and 0.02% respectively out of total exports made in the year 2021-22. As per the Department of Commerce, the major countries to which pressure cooker were exported include USA, United Arab Emirates, Nepal, Australia and Canada. Non-stick appliances were majorly exported to countries like USA, United Arab Emirates, Belgium, Poland and Nepal. Whereas grinder, mixer and juice extractors were majorly exported to countries like Bangladesh, United Arab Emirates, Sri Lanka, Nepal and USA.

#### Export trend for small kitchen appliances

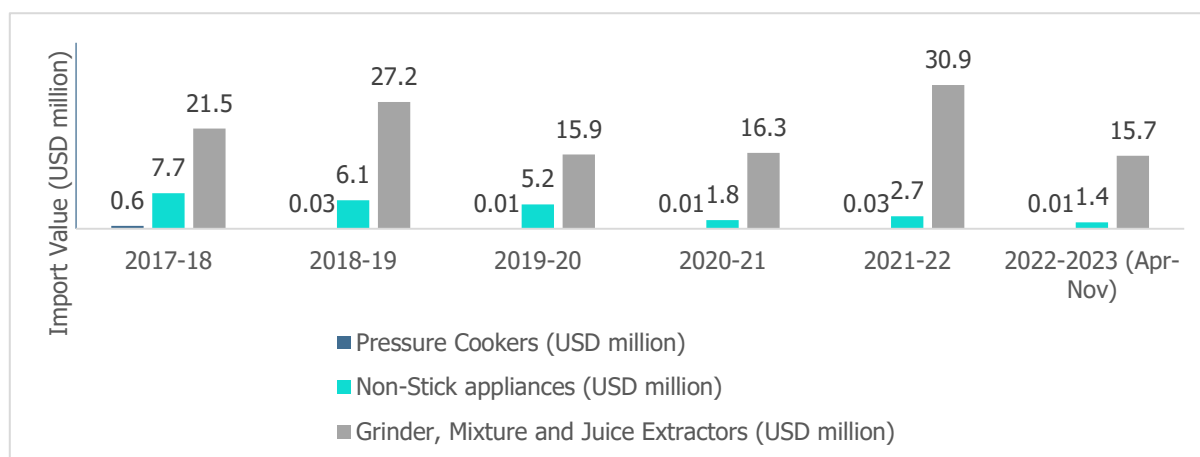




Source: Department of Commerce (Government of India)

As per Department of Commerce, imports of pressure cooker were largely done from countries like China, USA and United Arab Emirates. Whereas, imports of non-stick appliances were largely made from countries like China, Vietnam and United Arab Emirates. Moreover, imports of grinder, mixer and Juice extractors were majorly done from countries like China, Korea and Hongkong.

### Import trend of small kitchen appliances

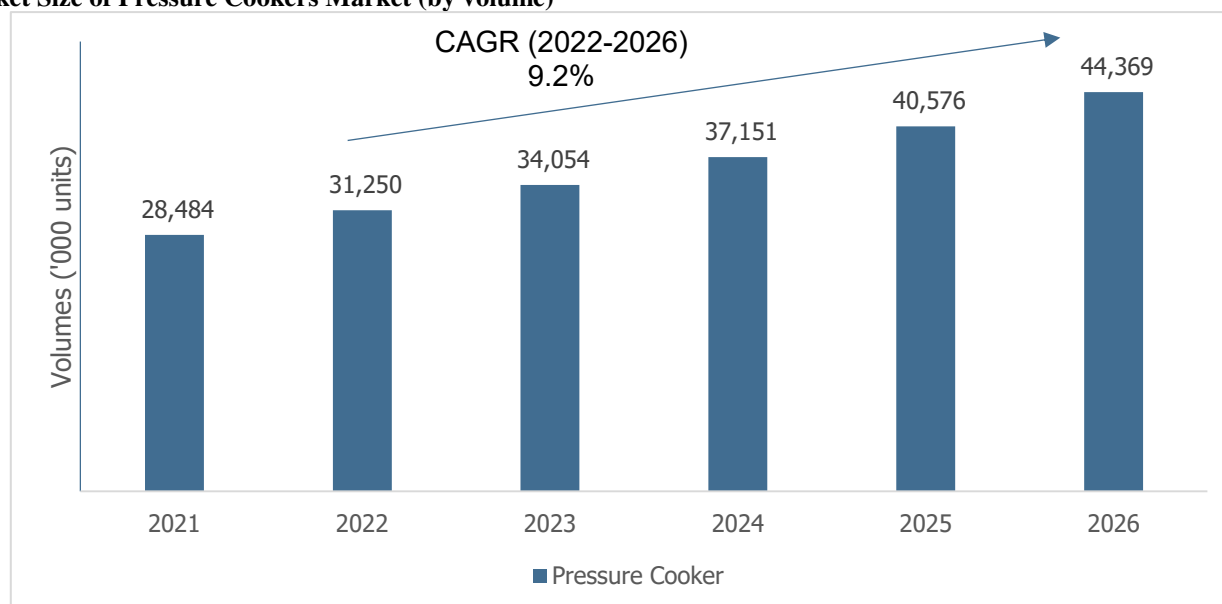


Source: Department of Commerce (Government of India)

### • PRESSURE COOKERS

The pressure cookers market is expected to grow at a CAGR of 9.2% during the period 2022-2026, in terms of volumes. Pressure cookers are one of the most popular and essential appliances. The demand for pressure cookers in India is driven by various factors, such as the convenience and timesaving benefit they offer, the increase in the number of working women and the affordability of pressure cookers as compared to other cooking appliances.

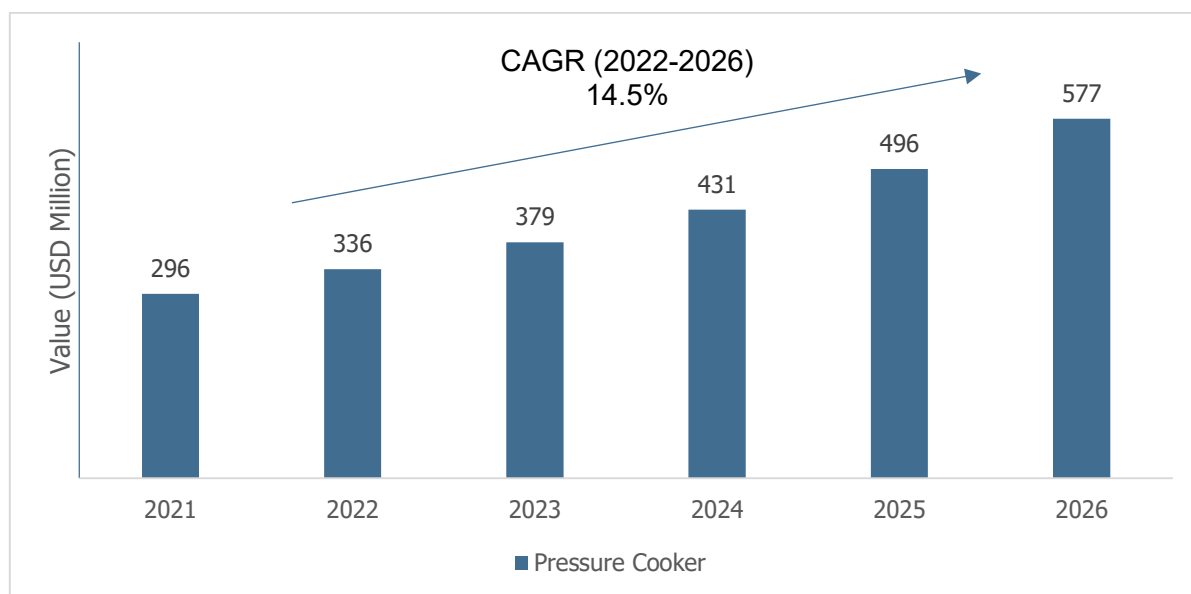
### Market Size of Pressure Cookers Market (by volume)



Source: CareEdge Research, Research Dive

The pressure cookers market is expected to grow at a CAGR of 14.5% during the period 2022-2026, in terms of value.

## Market Size of Pressure Cookers (by Value)



Source: CareEdge Research, Research Dive

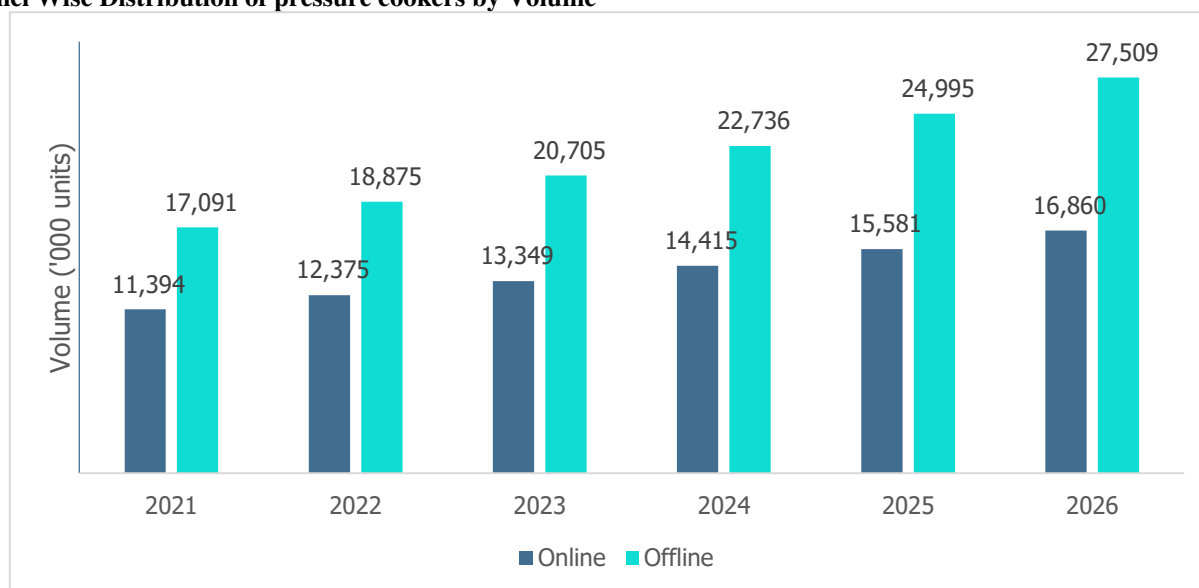
## Channel-Wise Distribution

**Online Segment** - One of the most important aspects of any website or business is getting products or services to the right people and reaching the intended audience. One can choose from appealing pressure cooker deals online and pay using a suitable payment method.

**Offline Segment**- The pressure cooker in the Indian kitchen appliances market is a competitive and diverse industry that offers a wide range of products to consumers. Consumers can typically find pressure cookers at department stores, kitchen supply stores, and appliance stores. One advantage of purchasing a pressure cooker in an offline store is that customers can view and handle the product before buying it. In addition, stores may offer price matching guarantees, warranties, and customer service to help consumers with any issues that may arise.

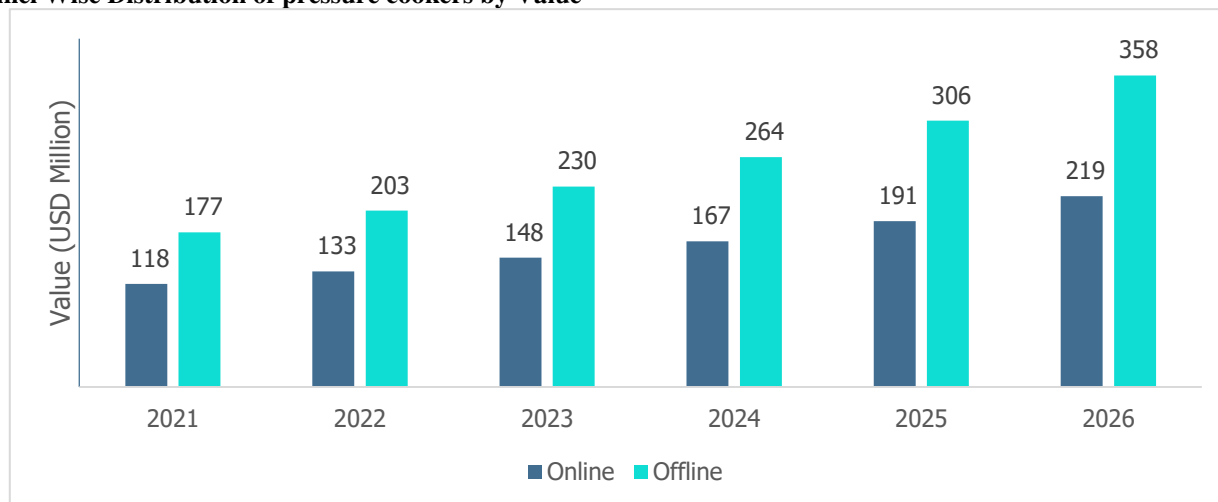
The sales of pressure cooker through offline channel is more as compared to the online channel. In terms of volume, the offline channel is expected to grow at a CAGR of 9.9% between 2022-2026, while the online channel is expected to grow at a CAGR of 8% within the same time period.

## Channel Wise Distribution of pressure cookers by Volume



In terms of value, the offline channel is expected to grow at a CAGR of 15.3% between 2022-2026 while the online channel is expected to grow at a CAGR of 13.3% within the same time period.

#### Channel Wise Distribution of pressure cookers by Value

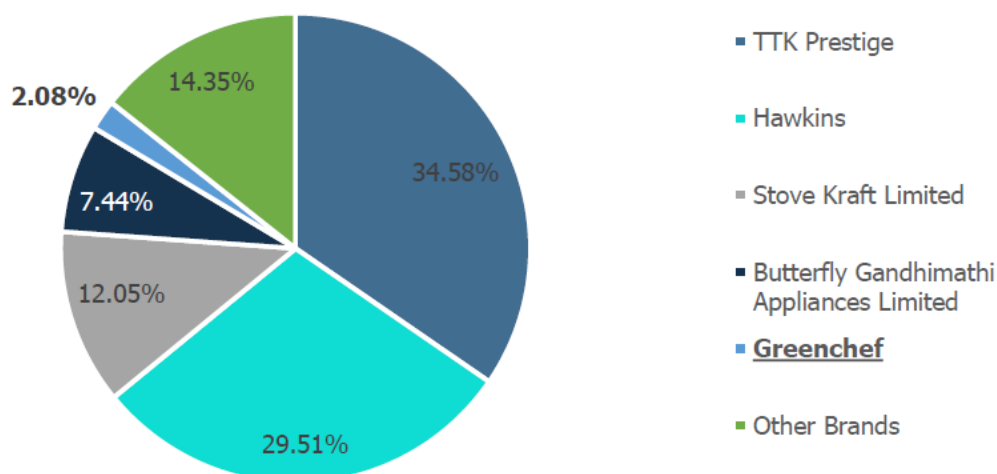


Source: CareEdge Research, Research Dive

#### Brand Share Analysis

The pressure cooker market in India is highly competitive, and brands are constantly innovating to offer new features and technology to stay ahead of the market. In terms of brand share analysis by volume, TTK Prestige accounted for a market share of 34.58%, followed by Hawkins with a share of 29.51%, Stovekraft with a share of 12.05%, Butterfly with 7.44%, Greenchef with a share of 2.08% and other brands accounted for a share of 14.35%.

#### Brand-share Analysis – Pressure Cooker



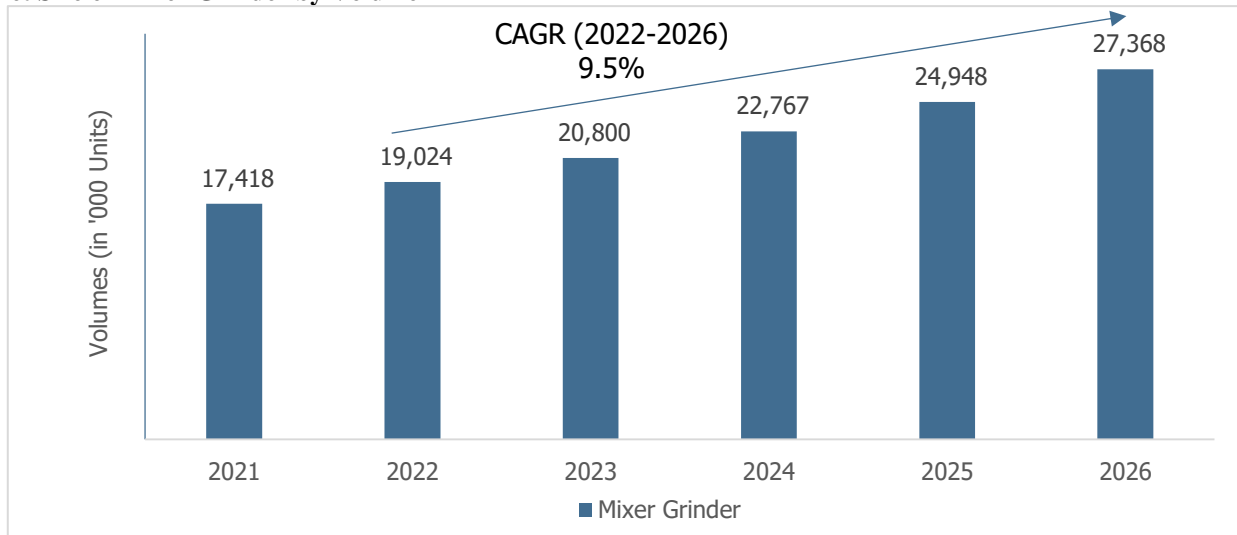
Source: CareEdge Research, Research Dive

Pressure Cooker	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	31,250	44,369	9.2%
Market leader (2022)	TTK Prestige	(34.58% of volume)	
Greenchef's Share (2022)	Greenchef	(2.08% of volume)	

## • MIXER GRINDER

The mixer grinder market is expected to grow at a CAGR of 9.5% during the period 2022-2026, in terms of volumes. There is a growing demand for convenient and time-saving kitchen appliances such as mixer grinders in the Indian kitchen appliances market. With the increase in the number of working women and busy lifestyles, people are looking for kitchen appliances that can simplify their cooking process. Mixer grinders are versatile and efficient appliances and also easy to use and maintain. In addition, the availability of various models and brands at affordable prices is also increasing demand for mixer grinders in the Indian kitchen appliances sector.

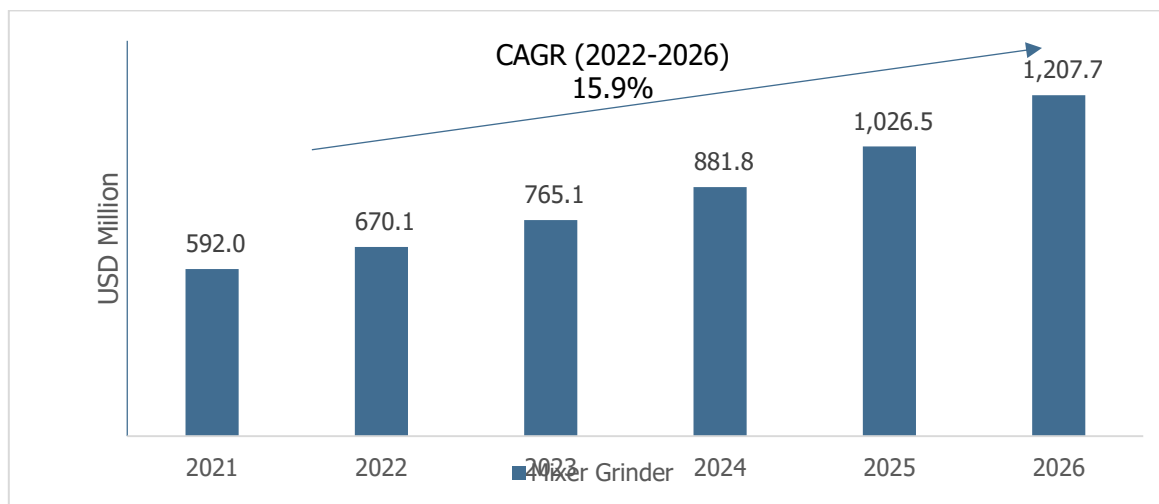
### Market Size of Mixer Grinder by Volume



Source: CareEdge Research, Research Dive

The mixer grinder market is expected to grow at a CAGR of 15.9% during the period 2022-2026, in terms of value. The growing trend of health and fitness has led to the development of mixer grinders with features such as juicing, blending, and extracting nutrients from fruits and vegetables. The mixer grinder has become an indispensable part of the Indian kitchen, and its demand is expected to continue to rise in the upcoming years.

### Market Size of Mixer Grinder by Value



Source: CareEdge Research, Research Dive

### Channel-Wise Distribution

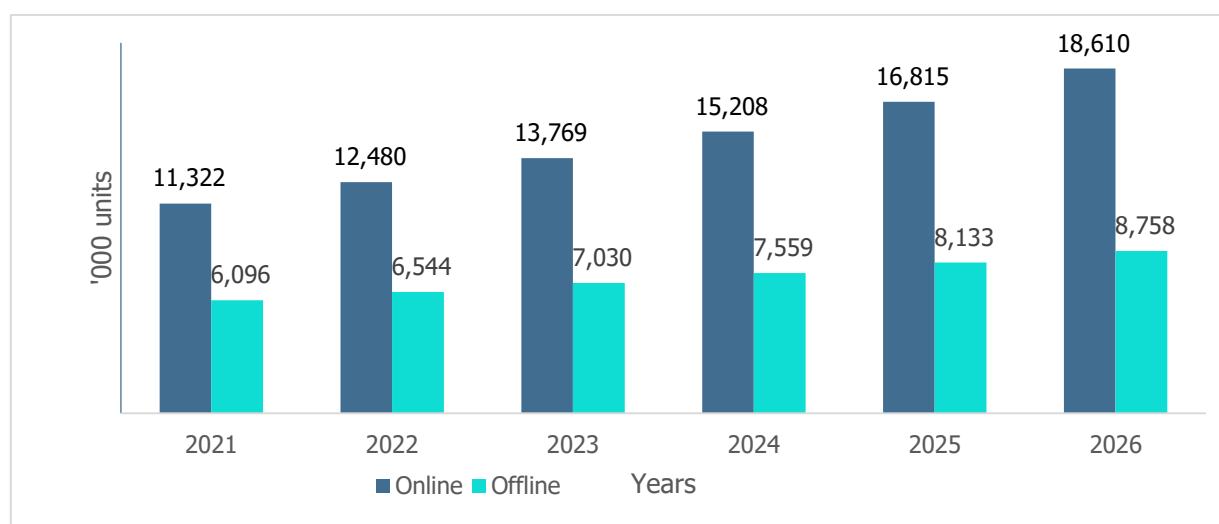
**Online Segment** - The increase in online sales of mixer grinder appliances is expected to continue in the future, owing to the rise in competition among store-based retail outlets and the increase in the amount of time spent by the general population on the Internet. An increase in consumer spending capacity, an increase in the number of residences, an increase in reliance on

smart kitchen appliances, and product penetration through major specialty online platforms are also considered to be the major segment growth drivers.

**Offline Segment-** Some of the factors that are anticipated to drive the segment growth include the capability of price and product attributes as well as the accessibility of a large number of variants offered by various companies.

The mixer grinder market is distributed through online and offline channels. The sales through online channel is more as compare to the offline channel. In terms of volume, the online channel is expected to grow at a CAGR of 10.5% between 2022-2026, while the offline channel is expected to grow at a CAGR of 7.6% within the same time period.

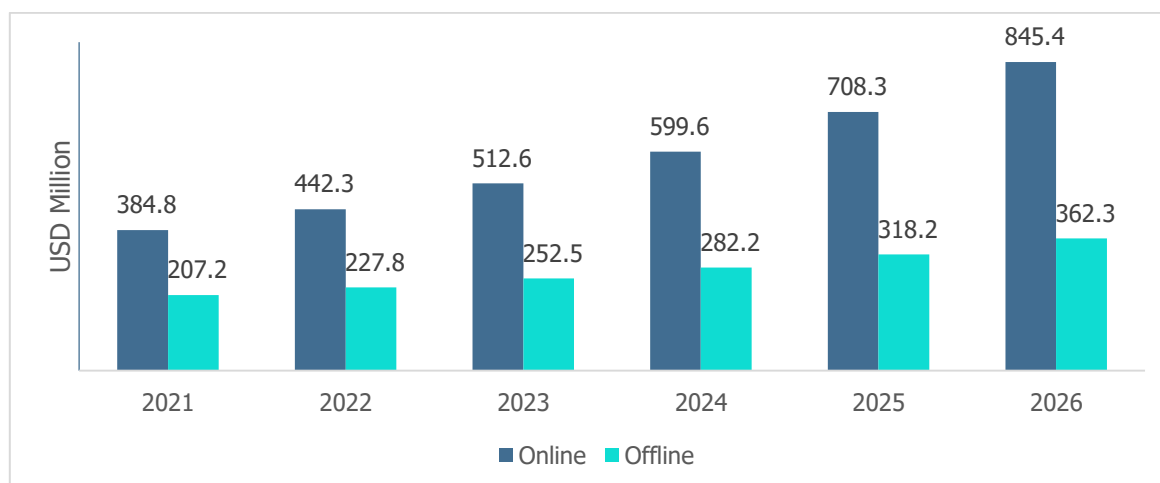
#### Channel Wise Distribution of Mixer Grinder by Volume



Source: CareEdge Research, Research Dive

In terms of value, the online channel is expected to grow at a CAGR of 17.6% between 2022-2026 while the offline channel is expected to grow at a CAGR of 12.3% within the same time period.

#### Channel Wise Distribution of Mixer Grinder by Value

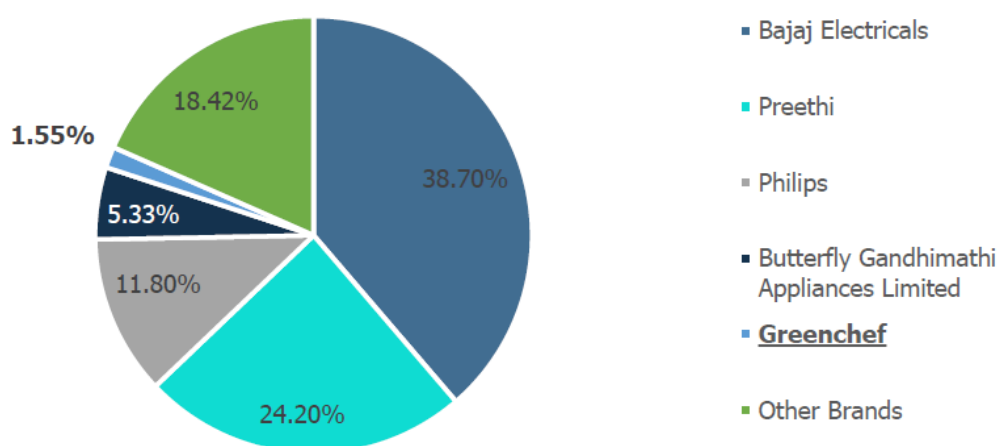


Source: CareEdge Research, Research Dive

#### Brand Share Analysis

The mixer grinder market in India is highly competitive, and brands are constantly innovating to offer new features and technology to stay ahead of the market. In terms of brand share analysis by volume, Bajaj Electricals accounted for a brand share of 38.70%, followed by Preethi with a share of 24.20%, Philips with a share of 11.80%, Butterfly with a share of 5.33%, Greenchef with a share of 1.55% and other brands with a share of 18.42%.

**Chart 30: Brand Share Analysis – Mixer Grinder**



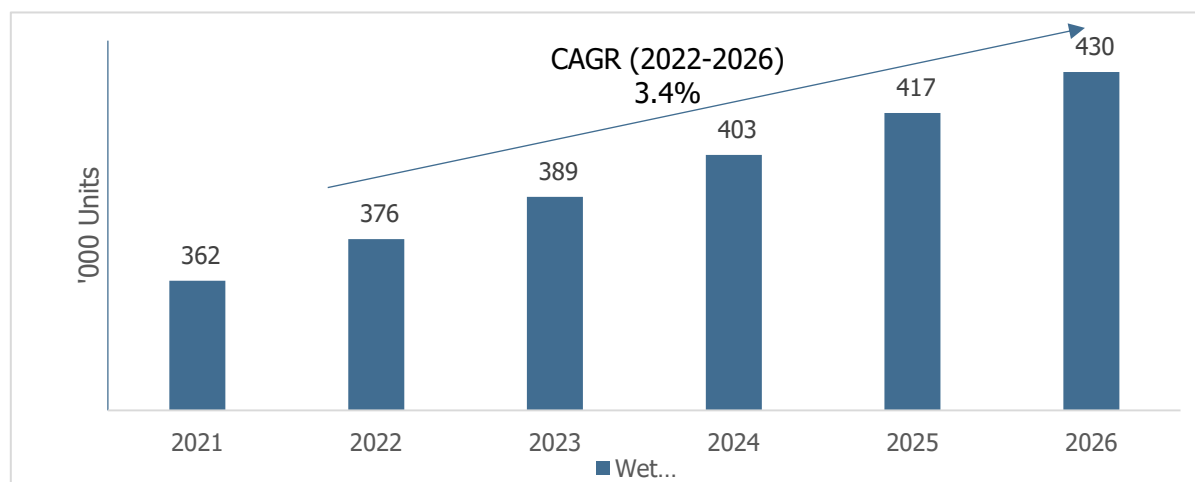
Source: CareEdge Research, Research Dive

Mixer Grinder	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	19,024	27,368	9.5%
Market leader (2022)	Bajaj Electricals	(38.70% of volume)	
Greenchef's Share (2022)	Greenchef	(1.55% of volume)	

#### • WET GRINDER

The wet grinder market is expected to grow at a CAGR of 3.4% during the period 2022-2026, in terms of volumes. Wet grinders have become an essential part of the modern kitchen.

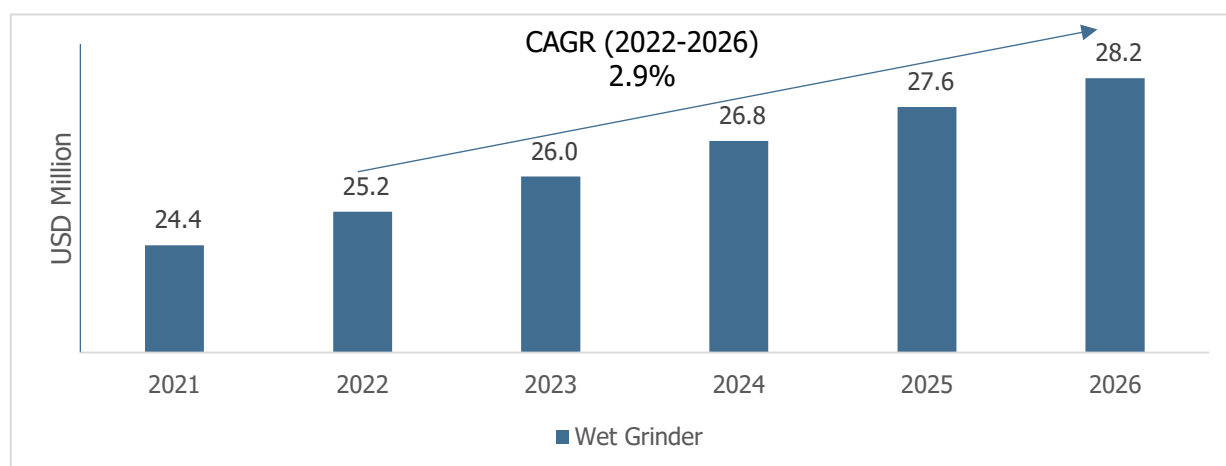
#### Market Size of Wet Grinders by Volume



Source: CareEdge Research, Research Dive

The wet grinder market is expected to grow with a CAGR of 2.9% during the period 2022-2026, in terms of value

### Market Size of Wet Grinders by Value



Source: CareEdge Research, Research Dive

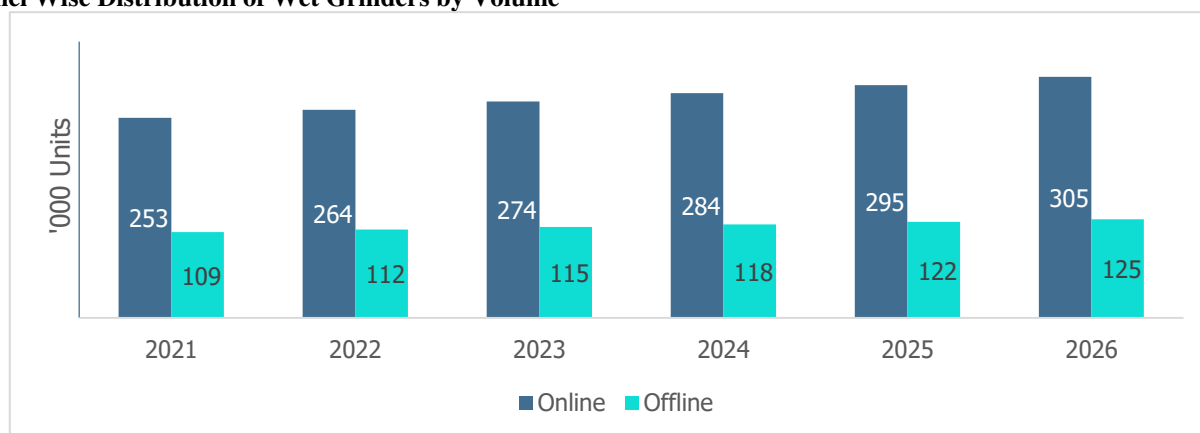
### Channel Wise Distribution

**Online Segment** - Online platforms strive to become the market leader in this segment. It is known for their world-class goods, superior quality, and timely delivery. The growing significance of online marketing tools like Google ads and Facebook advertisements is another factor supporting wet grinder sales. There are many marketing options available today due to the widespread use of social media applications, which in turn aids in propelling the wet grinder market.

**Offline Segment** - The offline distribution channel is expected to expand rapidly. The assistance of skilled staff, diverse product categories, product demonstrations, and immediate shipping of products support this growth.

The wet grinder market is distributed through online and offline channels. The sales through online channel is more as compared to the offline channel. In terms of volume, the online channel is expected to grow at a CAGR of 3.7% between 2022-2026, while the offline channel is expected to grow at a CAGR of 2.7% within the same time period.

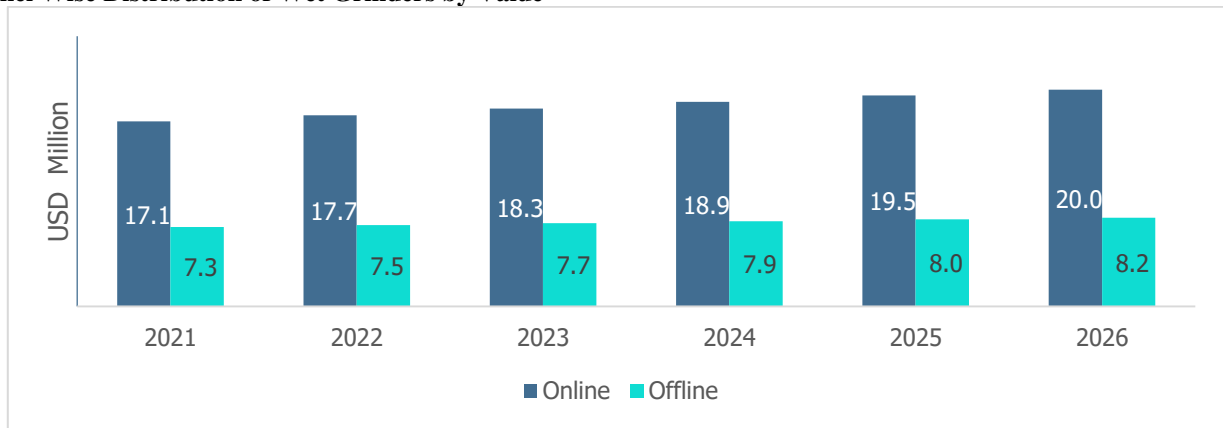
### Channel Wise Distribution of Wet Grinders by Volume



Source: CareEdge Research, Research Dive

In terms of value, the online channel is expected to grow at a CAGR of 3.2% between 2022-2026, while the offline channel is expected to grow at a CAGR of 2.2% within the same time period.

### Channel Wise Distribution of Wet Grinders by Value

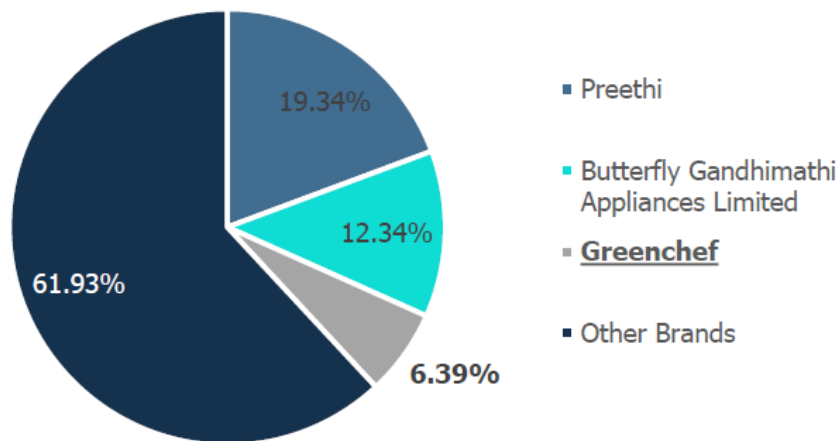


Source: CareEdge Research, Research Dive

### Brand Share Analysis

The Indian wet grinder market is highly competitive, with a variety of brands and products available to consumers. The popularity of these brands and their market share may vary depending on factors such as pricing, quality, features, and customer service. In terms of, brand share by volume, Preethi accounted a share of 19.34%, Butterfly Gandhimathi Appliances with a share of 12.34%, Greenchef with 6.39% and other brands accounted for a share of 61.93%.

### Brand Share Analysis – Wet Grinder



Source: CareEdge Research, Research Dive

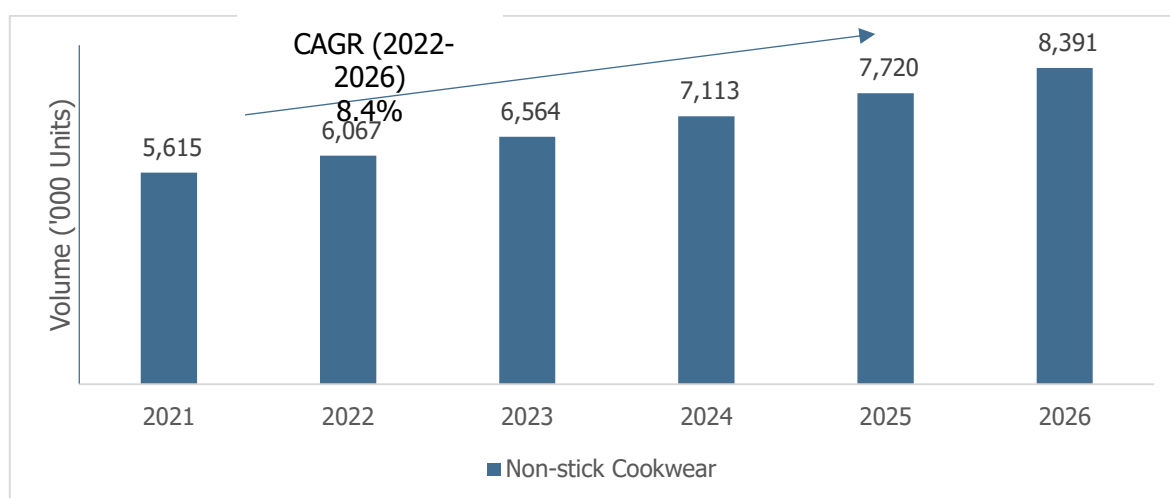
Wet Grinder	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	376	430	2.9%
Market leader (2022)	Preethi	(19.34% of volume)	
Greenchef's Share (2022)	Greenchef	(6.39% of volume)	

### • NON-STICK COOKWARE

The non-stick cookware is expected to grow at a CAGR of 8.4% during the period 2022-2026, in terms of volumes. The non-stick cookware in the Indian kitchen appliances market is its convenience, health benefits, durability, versatility, and affordability.

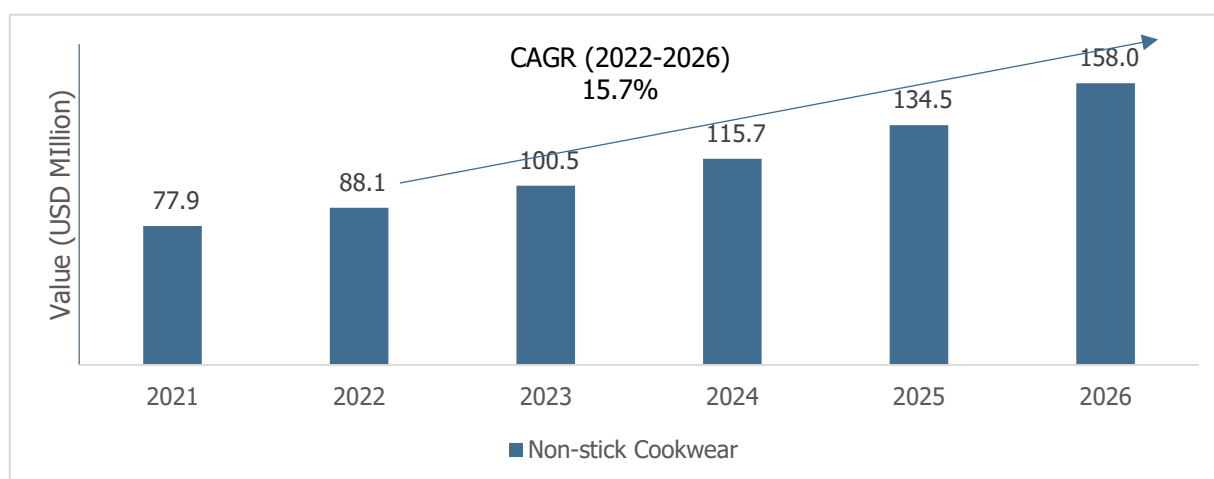


### Market Size of non-stick cookware by Volume



In terms of value, the non-stick cookware market is expected to grow at a CAGR of 15.7% over the same period.

### Market Size of non-stick cookware by Value



Source: CareEdge Research, Research Dive

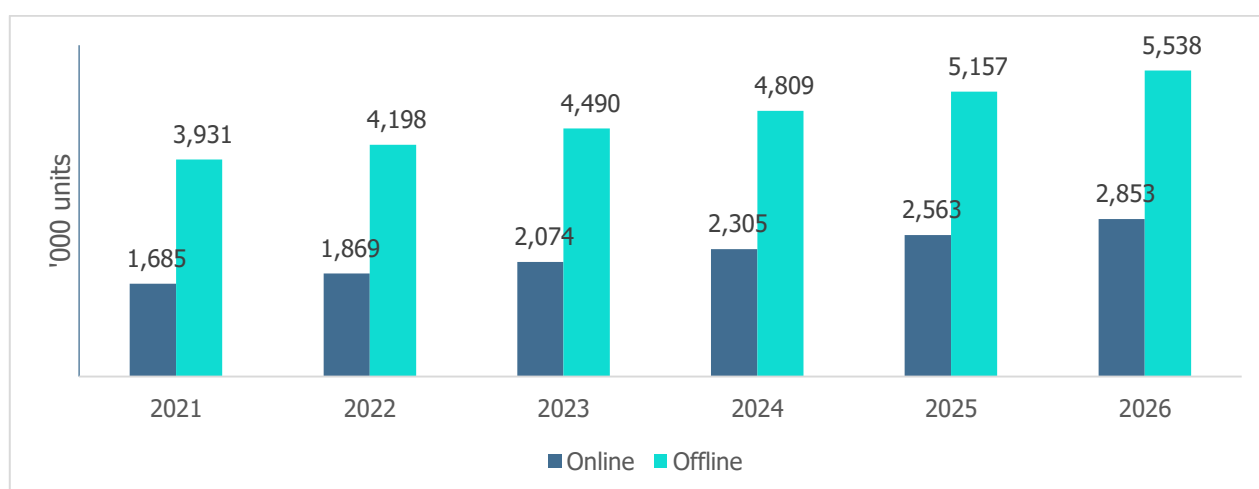
### Channel Wise Distribution

**Online Segment-** Online platforms have grown in popularity because they offer product delivery at the customer's doorstep. A consumer can use an online platform to compare the prices of various non-stick cookware products on various websites. Online platforms offer home delivery and free shipping, as well as an exchange and return policy, which helps to increase non-stick cookware sales. Online distribution channels have seen a surge in sales because they provide buyers with access to premium and global brands as well as accurate product information. These factors are expected to boost the growth of online segment in non-stick cookware during the forecast period.

**Offline Segment -** People are more likely to be selective and observant when shopping offline because a product on the shelf can easily be compared to those of other brands before making a purchase decision. Non-stick cookware is available at specialty stores in a variety of price ranges, and consumers can select from a variety of local and international brands. Due to this factor, non-stick cookware is highly sold in offline stores.

In terms of volume, the online channel is expected to grow at a CAGR of 11.2% between 2022-2026 while the offline channel is expected to grow at a CAGR of 7.2% within the same time period.

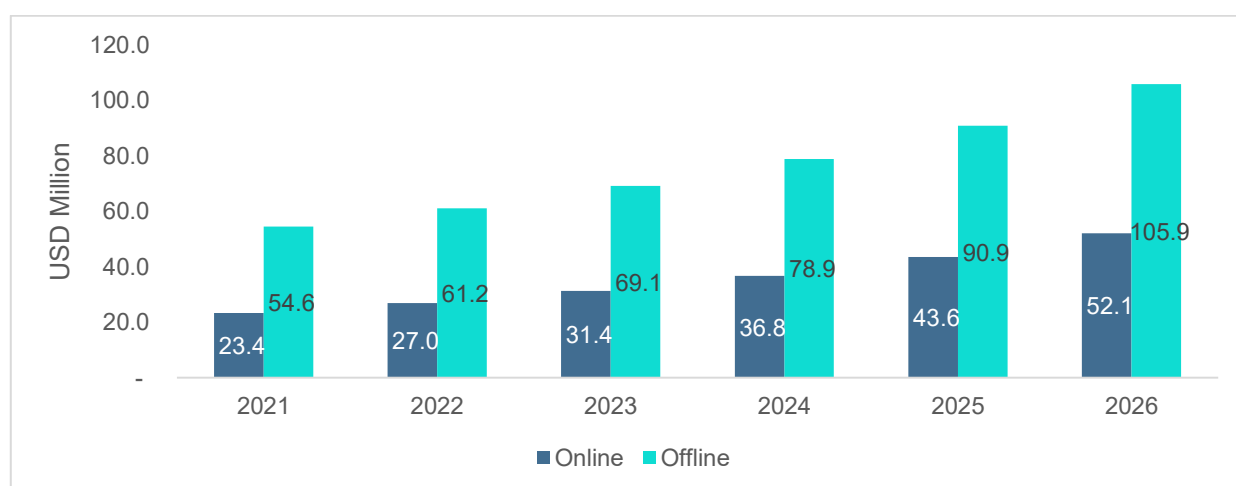
### Channel Wise Distribution of non-stick cookware by Volume



Source: CareEdge Research, Research Dive

In terms of value, the online channel is expected to grow at a CAGR of 17.9% between 2022-2026 while the offline channel is expected to grow at a CAGR of 14.7% within the same time period.

### Channel Wise Distribution of non-stick cookware by Value

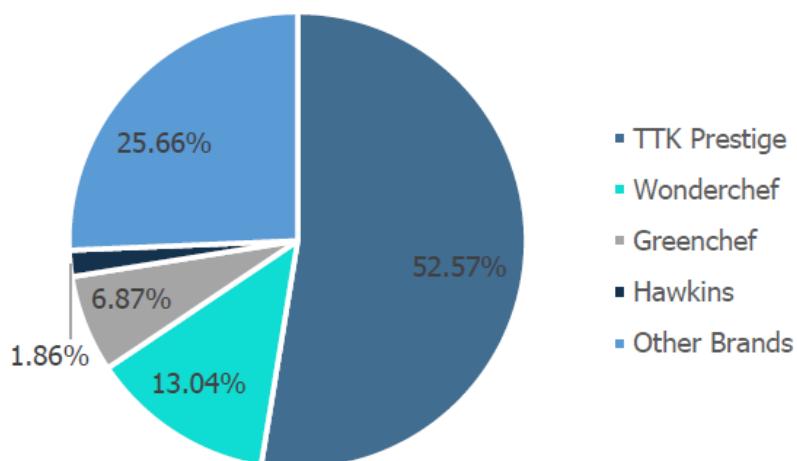


Source: CareEdge Research, Research Dive

### Brand Share Analysis

According to the Indian appliances brand share analysis for non-stick cookware, Prestige is the most popular brand of non-stick cookware with a market share of 52.57%, followed by Wonderchef with 13.04%, Greenchef with 6.87%, Hawkins with 1.86% and other brands 3.77%.

### Brand-share Analysis – Non-stick cookware



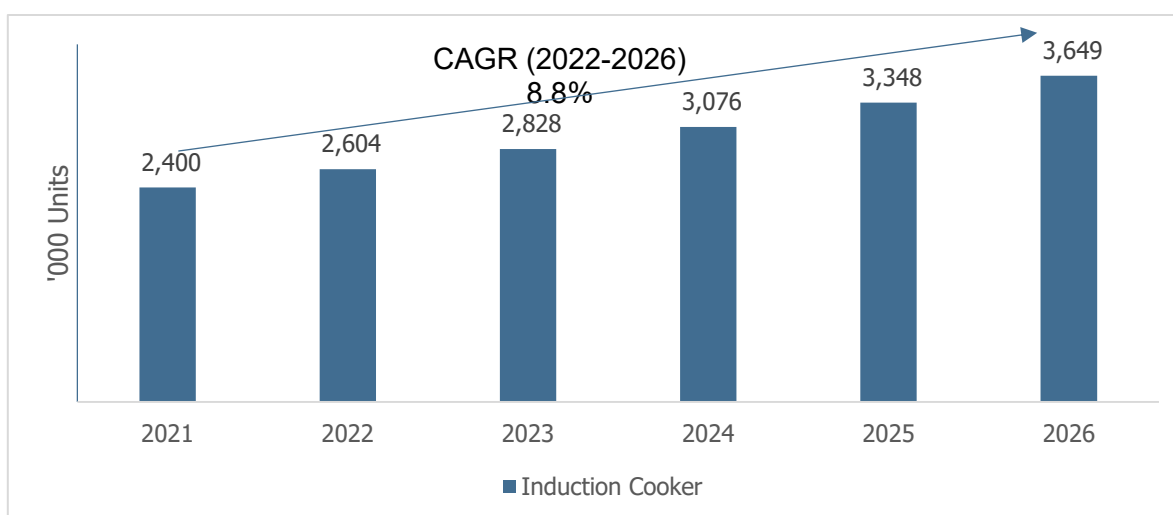
Source: CareEdge Research, Research Dive

Non-stick cookware	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	6,067	8,391	8.4%
Market leader (2022)	TTK Prestige	(52.57% of volume)	
Greenchef's Share (2022)	Greenchef	(6.87% of volume)	

### Induction Cooktop

The induction cooktop market is anticipated to grow at a CAGR of 8.8% over the period of 2022-2026, in terms of volume. The market has previously benefited from the continuous shift away from gas cookers, and a rising number of customers are inclined to install induction cooktops in their homes or large-scale residential projects. This is because more people are becoming aware of its advantages over gas cooktops. The use of induction cooktops is also common in commercial enterprises like restaurants and hotels.

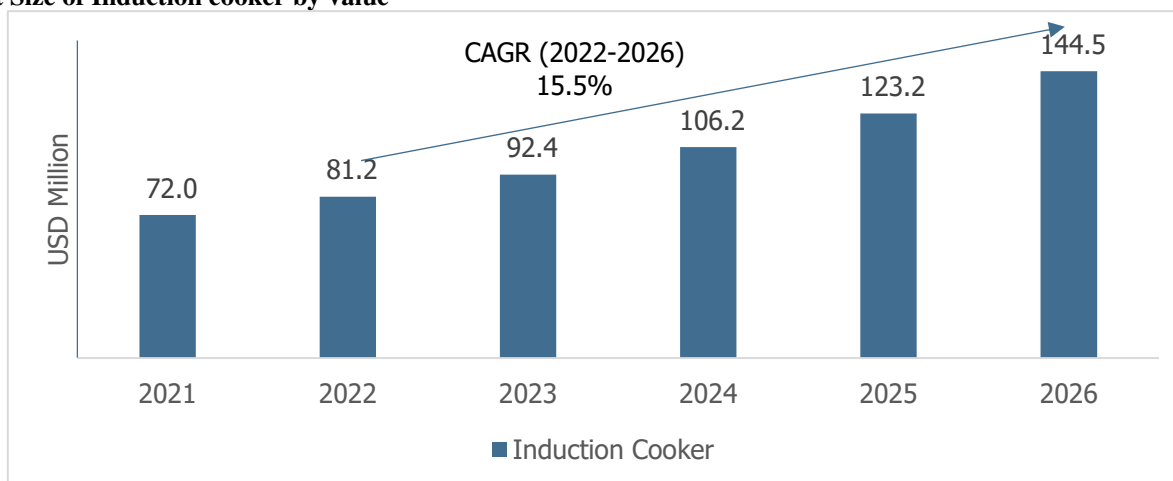
### Market Size of Induction cooktop by Volume



Source: CareEdge Research, Research Dive

In terms of value, the induction cooktop market is expected to grow at a CAGR of 15.5% over the same period.

### Market Size of Induction cooker by value



Source: CareEdge Research, Research Dive

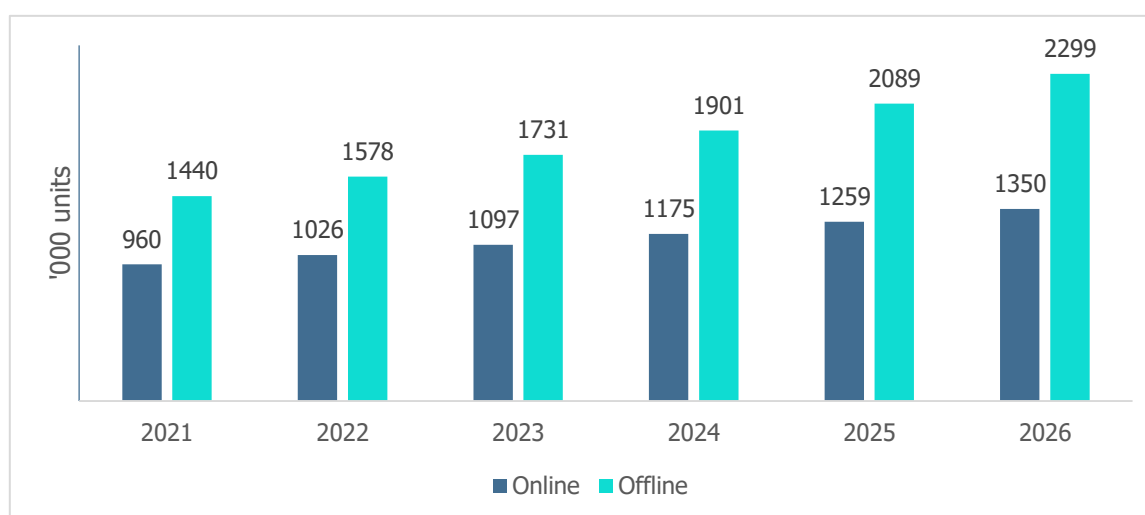
### Channel Wise Distribution

**Online Segment** - The market for a domestic induction cooktop is anticipated to be driven by the increase in acceptance of technologically sophisticated and high-tech goods, which will also boost the expansion of e-commerce websites for kitchen appliances. In addition, the massive growth of online retailers and the rise of company-owned shopping portals are both accelerating the expansion of online sector during the forecast period.

**Offline Segment** - Due to their attractive promotional offers & discounts and a variety of choices offered by the offline stores, customers prefer to purchase induction cooktops from them. In addition, these shops provide customers with buyback offers for several appliances. In the upcoming years, this distribution channel is expected to witness a substantial rise in the sale of induction cooktops due to the entry of private labels from major retailers.

The Induction cooktop sales through offline channel is more as compare to the online channel. In terms of volume, the offline channel is expected to grow at a CAGR of 9.9% between 2022-2026 while the online channel is expected to grow at a CAGR of 7.1% within the same time period.

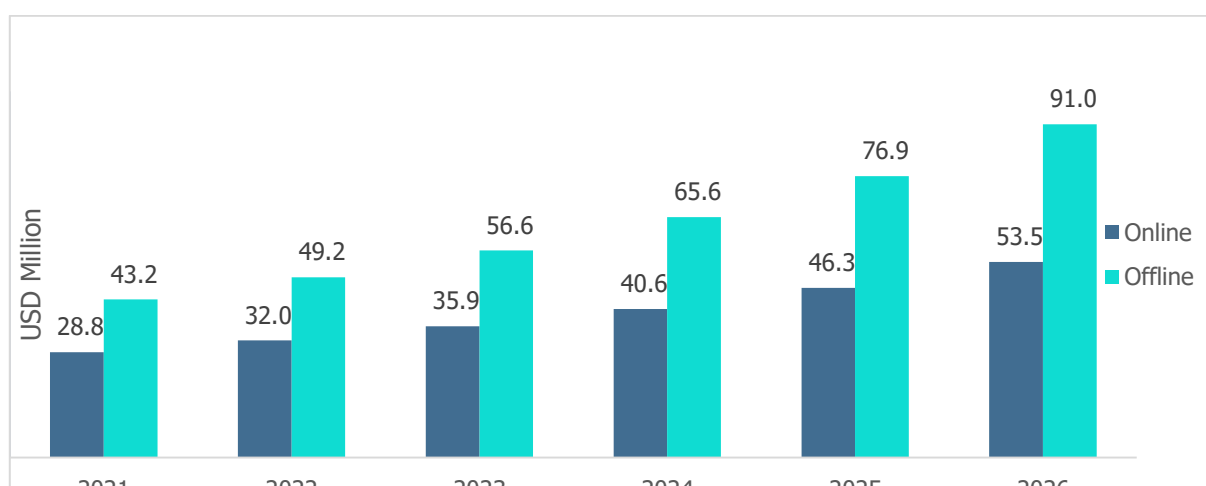
### Channel Wise Distribution of Induction cooktop by Volume



Source: CareEdge Research, Research Dive

In terms of value, the offline channel is expected to grow at a CAGR of 16.6% between 2022-2026 while the online channel is expected to grow at a CAGR of 13.7% within the same time period.

## Channel Wise Distribution of Induction cooktop by Value

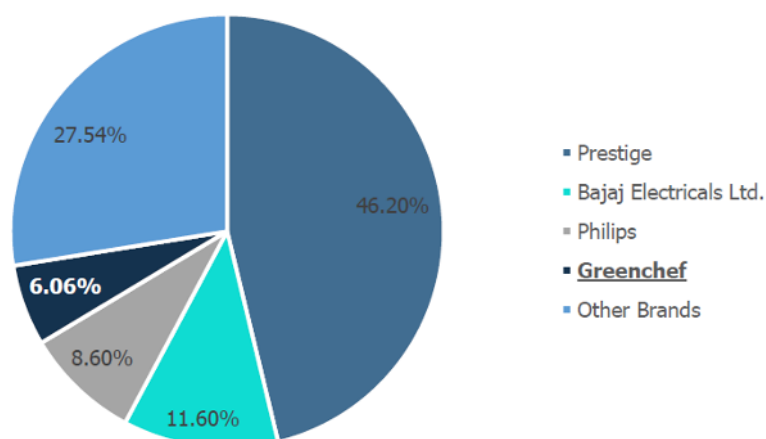


Source: CareEdge Research, Research Dive

## Brand Share Analysis

The Indian induction cooktop market is very competitive, with customers having access to a wide range of brands and types. These brands' popularity and market share may vary based on criteria such as cost, quality, features, and customer service. The brand like Prestige holds share of about 46.20%, Baja Electricals 11.60%, Philips 8.6%, Greenchef 6.06% and other 27.54%.

## Brand-share Analysis – Induction cooktop



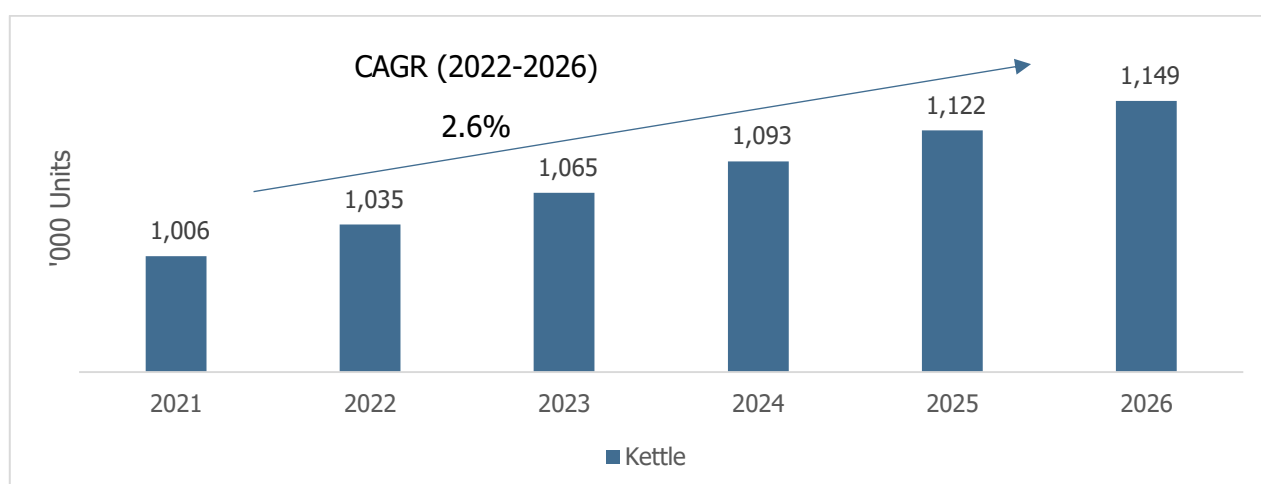
Source: CareEdge Research, Research Dive

Induction cooktop	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	2,604	3,649	8.8%
Market leader (2022)	Prestige	(46.20% of volume)	
Greenchef's Share (2022)	Greenchef	(6.06% of volume)	

## • Kettle

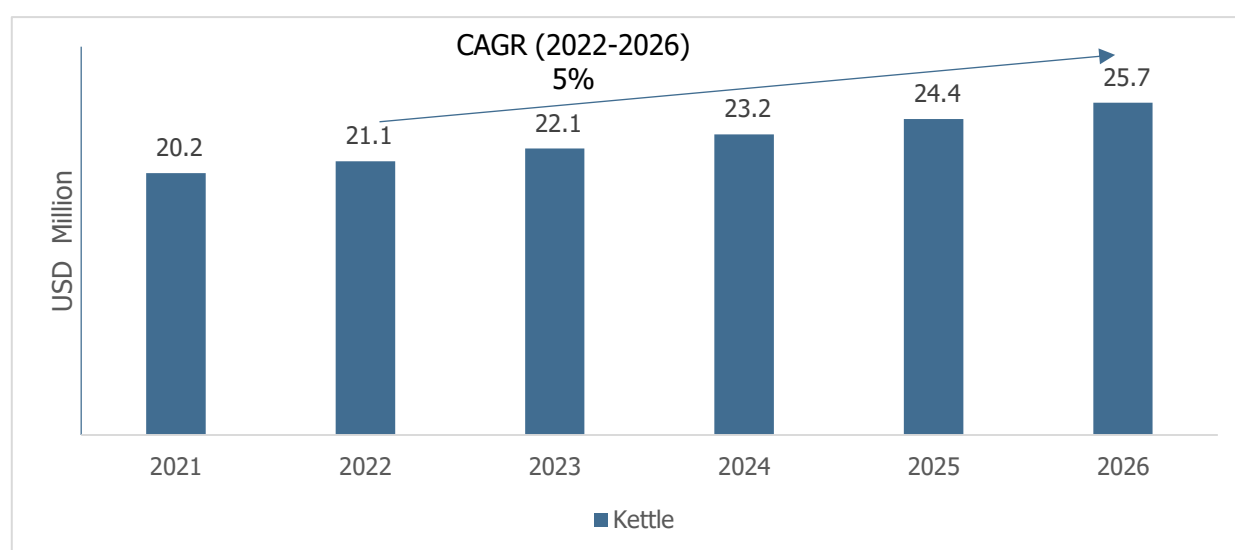
The kettles market in India is expected to grow at a CAGR of 2.6% over the period of 2022-2026 in terms of volume. With many designs and developments made by manufacturers in the electric kettle industry, the adoption of modern electric kettle is expected to increase in the upcoming years.

### Market Size of kettles by Volume



In terms of value, the kettles market is expected to grow at a CAGR of 5% over the same period. Increasing purchasing power, rising urbanization, and changing lifestyles are driving demand for cost-effective, lightweight, and transparent electric kettles. Furthermore, growing popularity of new durable goods and high-end electronic devices is driving the usage of electric kettles in the residential and commercial sectors. Also, growing number of food and beverage (F&B) service outlets is favourably impacting the industry's growth.

### Market Size of kettles by Value:



Source: CareEdge Research, Research Dive

### Channel Wise Distribution

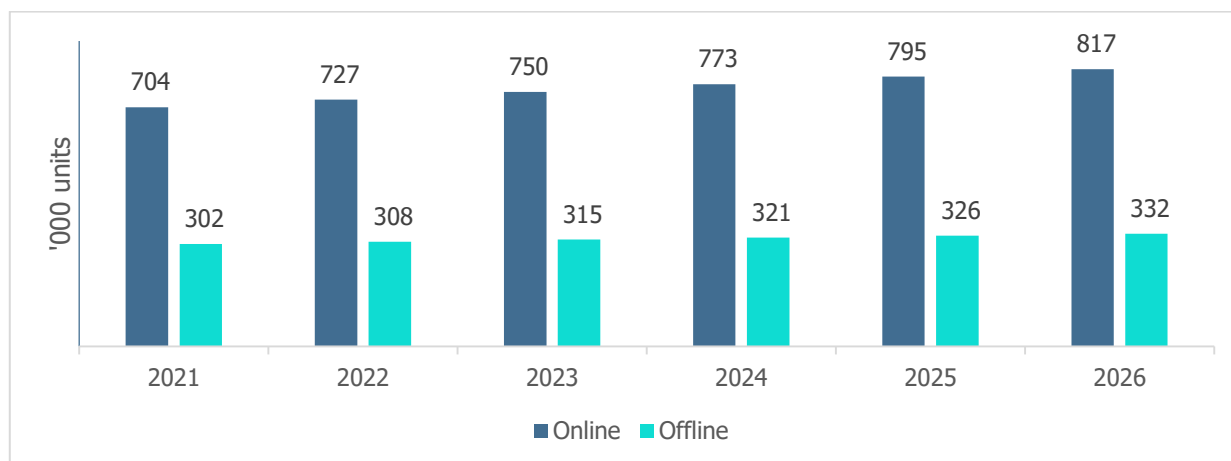
**Online Segment-** Sales of kettles online have increased significantly in recent years. Online shopping is becoming a more common option for consumers, particularly those who live in urban regions, owing to its convenience. Customers now find it simpler to compare and select the best kettle for their needs due to availability of a wide variety of products, reasonable pricing, and customer reviews. A variety of kettles are available on e-commerce sites like Amazon, Flipkart, and other online marketplaces. The online distribution channel is anticipated to hold a sizable market share due to growing demand for buying electrical appliances such as electric kettles. Many consumers prefer to shop online because it is so convenient and there is such a broad selection of goods available. With the expanding global shopping trends, it is also anticipated that online sales will experience the fastest development in the future.

**Offline Segment-** With a wide variety of products and brands readily available, in addition to special discounts and advice from salespeople in the stores, consumers can purchase and install goods more easily, which has significantly accelerated this segment's development over the past few decades. To effectively understand the features of products from sales representatives

through demos and presentations, people typically prefer to purchase electronic appliances from specialized stores. The traditional offline market, however, continues to play a significant role in the market, particularly in rural regions where e-commerce adoption is still minimal.

The sales through online channel is more as compared to the offline channel. In terms of volume, the online channel is expected to grow at a CAGR of 3% between 2022-2026 while the offline channel is expected to grow at a CAGR of 1.9% over the same time period.

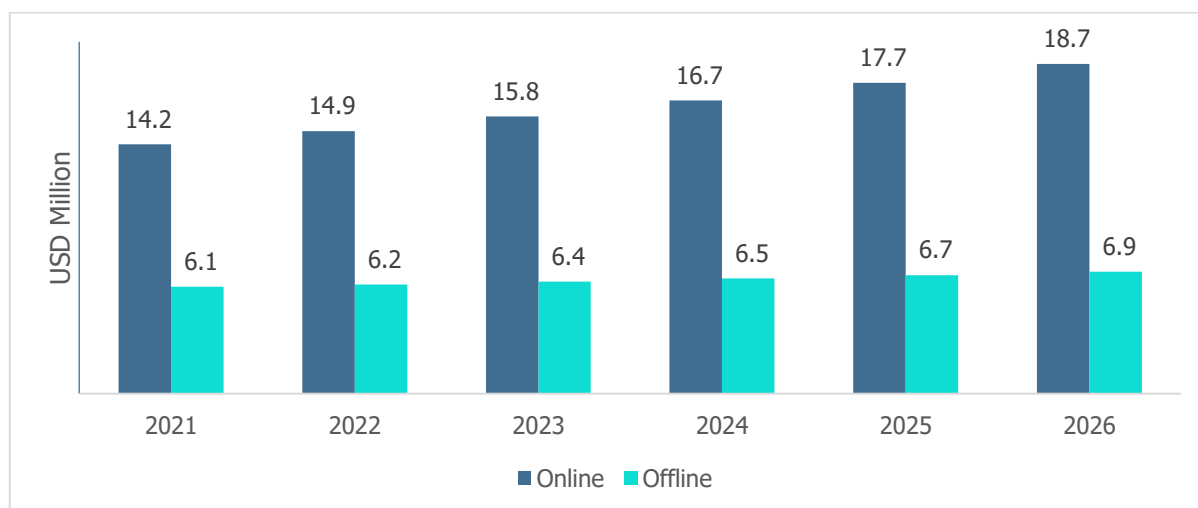
#### Channel Wise Distribution of kettles by Volume



Source: CareEdge Research, Research Dive

In terms of value, the online channel is expected to grow at a CAGR of 5.9% between 2022-2026 while the offline channel is expected to grow at a CAGR of 2.8% within the same time period.

#### Channel Wise Distribution of kettles by Value

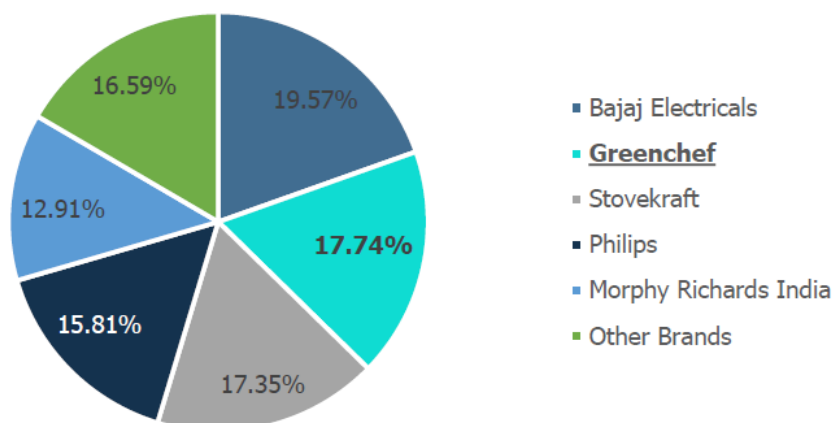


Source: CareEdge Research, Research Dive

#### Brand Share Analysis

In terms of brand share analysis by volume, Bajaj Electricals accounted for a share of 19.57%, followed by Greenchef with 17.74%, Stovekraft with a share of 17.35%, Philips with a share of 15.81%, Morphy Richards India with a share of 12.91%, and other brands with a share of 16.59%.

### Brand-share analysis – Kettle



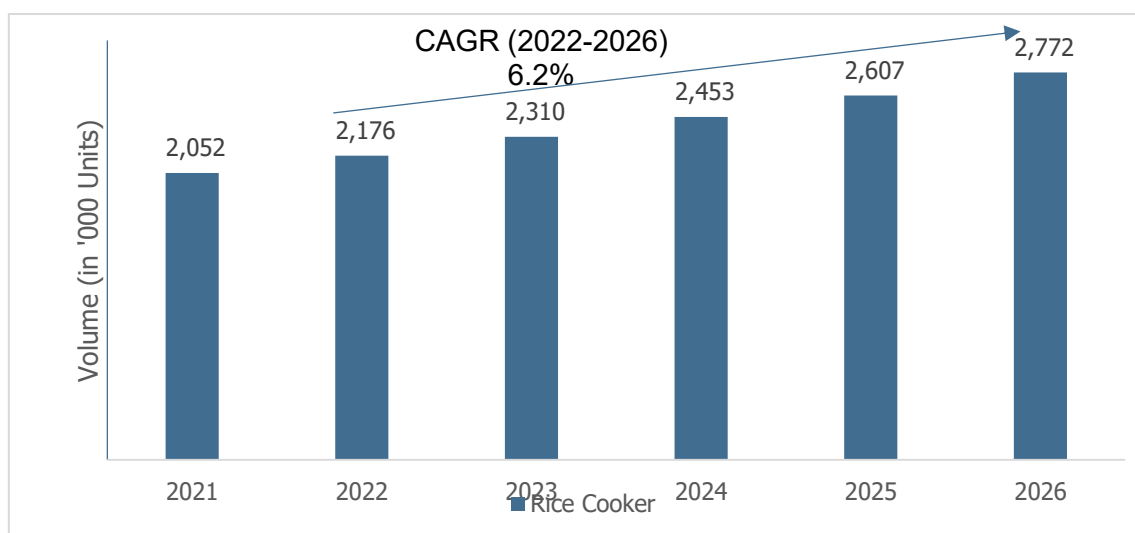
Source: CareEdge Research, Research Dive

	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	1,035	1,149	2.6%
Market leader (2022)	Bajaj Electricals	(19.57% of volume)	
Greenchef's Share (2022)	Greenchef	(17.74% of volume)	

### • Rice Cooker

The rice cooker market is anticipated to grow at a CAGR of 6.2% over the period of 2022-2026, in terms of volumes. The market growth is driven by consumer shifting preferences for energy-efficient cooking appliances like the electric rice cooker. It uses 23% to 57% less energy than other traditional cooking appliances. New launches and product innovation are expected to increase product visibility amongst consumers over the next few years.

### Market Size Rice Cookers by Volume

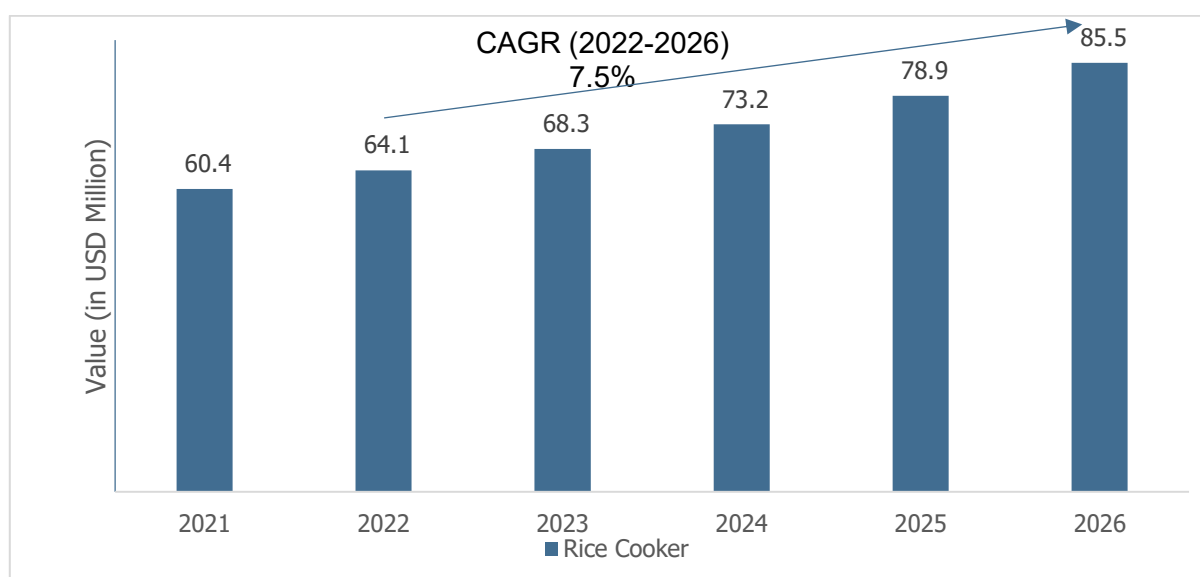


Source: CareEdge Research, Research Dive

In terms of value, the rice cooker market in India is expected to grow at a CAGR of 7.5% during the same period.



## Market Size of Rice Cookers by Value



Source: CareEdge Research, Research Dive

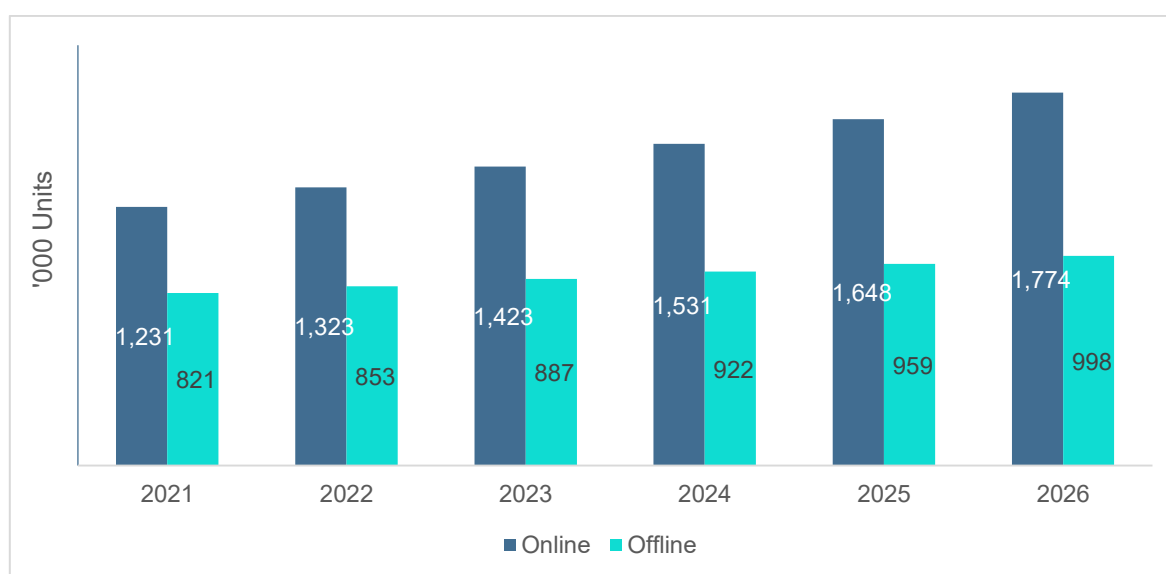
## Channel Wise Distribution

**Online Segment** – The demand for rice cooker is anticipated to increase owing to all the innovative features. The major players are adopting advertising and promotional strategies to spread awareness among people regarding rice cookers sold through an ecommerce platform. E-commerce platforms collaborate closely with manufacturers of kitchen appliances to streamline the online purchasing process. The sale of large appliances online with free shipping, unconditional returns, and flexible customer credit are incentives offered by these portals.

**Offline Segment** - It is anticipated that an increase in retail locations, particularly in developing cities will increase the visibility of these electrical products through offline channels. Furthermore, it is anticipated that the offline distribution channel segment will continue to hold a sizable market share in the future.

The sales through online channel is more as compared to the offline channel. In terms of volume, the online channel is expected to grow at a CAGR of 7.6% between 2022-2026 while the offline channel is expected to grow at a CAGR of 4% within the same time period.

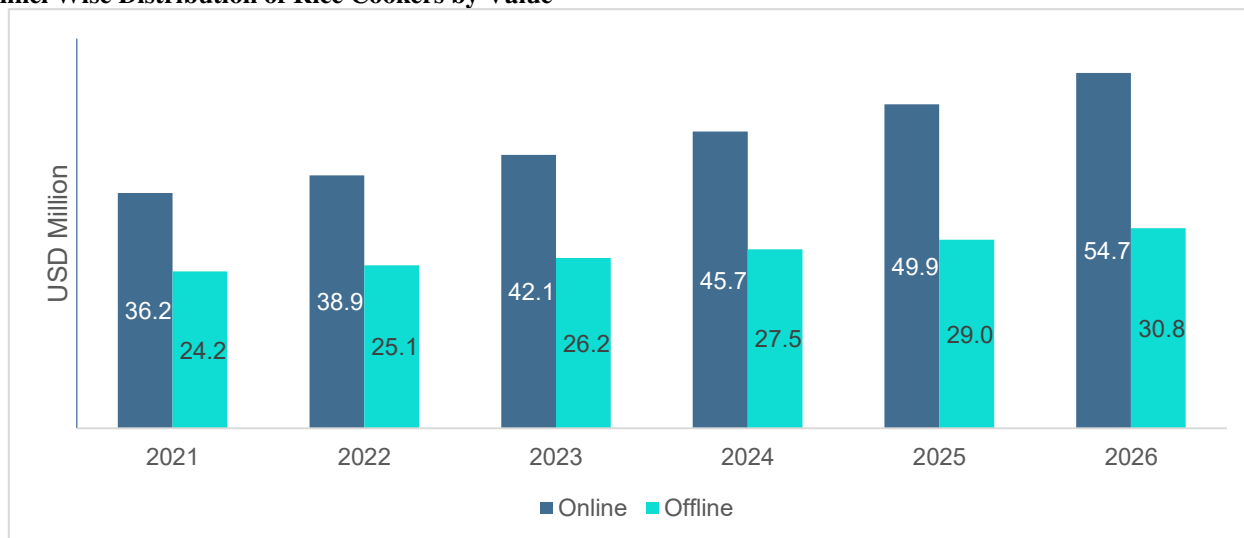
## Channel Wise Distribution of Rice Cookers by Volume



Source: CareEdge Research, Research Dive

In terms of value, the online channel is expected to grow at a CAGR of 8.9% between 2022-2026 while the offline channel is expected to grow at a CAGR of 5.2% within the same time period.

#### Channel Wise Distribution of Rice Cookers by Value

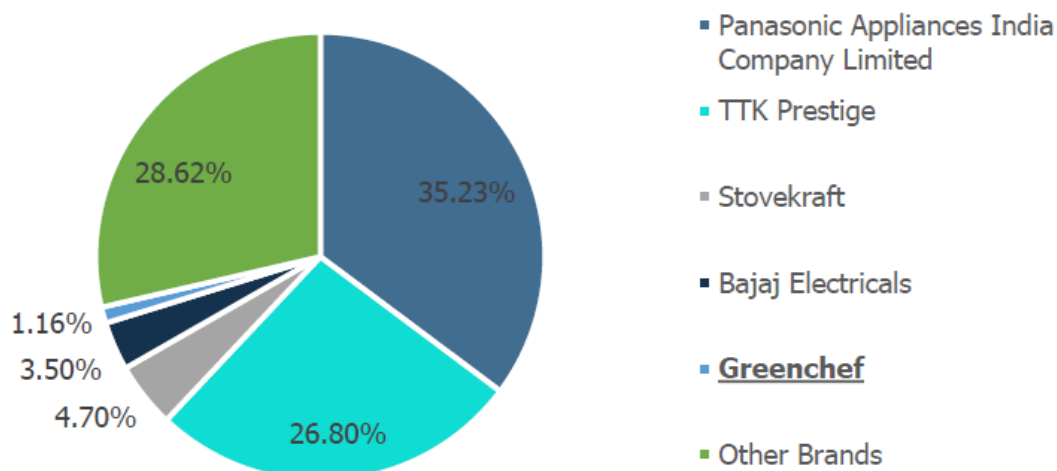


Source: CareEdge Research, Research Dive

#### Brand Share Analysis

In terms of brand share analysis by volume, Panasonic Appliances India Company Limited accounted for a market share of 35.23%, followed by TTK Prestige with a share of 26.80%, Stovekraft with a share of 4.70%, Bajaj Electricals with a share of 3.50%, Greenchef with 1.16% and other brands with a share of 28.62%.

#### Brand share analysis – Rice Cooker



Source: CareEdge Research, Research Dive

Rice Cooker	Year 2022	Year 2026P	CAGR % (2022-2026)
Market Volume ('000)	2,176	2,772	6.2%
Market leader (2022)	Panasonic	(35.23% of volume)	
Greenchef's Share (2022)	Greenchef	(1.16% of volume)	

## Concluding Remarks

With such varied product portfolio of Kitchen Appliances, Greenchef is an emerging player in the Indian Kitchen Appliances like Gas Stoves, Pressure Cooker, Wet Grinder, Non-stick cookware, induction cooktop, kettle and rice cooker. The major competitors to Greenchef are Hawkins Cookers Ltd., Butterfly Gandhimathi Ltd., Stovekraft Ltd. and TTK Prestige Ltd.

## Kitchen appliances industry product-wise snapshot

Product Categories	Year 2022		Year 2026P		CAGR % (2022-2026)		Market Leader (2022)	Market share of market leader (in %) (2022)	Market share of Greenchef (in %) (2022)
	Value (USD mn)	Volume ('000 units)	Value (USD mn)	Volume ('000 units)	Value (USD mn)	Volume ('000 units)			
Gas Stoves & Hob	386	-	707	-	16.3%	-	Prestige	13.25%	5.44%
Pressure Cookers	336	31,250	577	44,369	14.5%	9.2%	TTK Prestige	34.58%	2.08%
Mixer Grinder	670	19,024	1,208	27,368	15.9%	9.5%	Bajaj Electricals	38.70%	1.55%
Wet Grinder	25	376	28	430	2.9%	34%	Preethi	19.34%	6.39%
Non-stick Cookware	88	6,067	158	8,391	15.7%	8.4%	TTK Prestige	52.57%	6.87%
Induction cooktop	81	2,604	144	3,649	15.5%	8.8%	Prestige	46.20%	6.06%
Kettle	21	1,035	26	1,149	5%	2.6%	Bajaj Electricals	19.58%	17.75%
Rice Cooker	64	2,176	85	2,772	7.5%	6.2%	Panasonic	35.23%	1.16%

*Note: Analysis for Gas stoves & Hobs is done on the basis of value*

## PRICING AND AVAILABILITY OF RAW MATERIALS

The kitchen appliance industry uses various raw materials specifically metal and plastic. These materials come mainly from virgin sources but also to some extent from recycled sources. The major raw materials required in manufacturing activities include metals like aluminium, steel and copper. The prices of these raw materials are volatile and subject to fluctuations arising from changes in domestic and international supply and demand dynamics, labour costs, competition, market speculation, and government regulations. Rapid changes in the prices of such raw materials may affect the production price and consequently the market price of these products. While some materials like steel or plastics are common to many product types, others are mainly associated with very specific products and functionalities.

The choice of materials used for the production of kitchen appliances has evolved over time. The two most significant trends are:

- increasing amount of plastic, replacing steel
- mechanical controls replacing electronic controls.

In addition, there are major trends such as products becoming smarter, well-connected and in some cases multifunctional, which are increasingly setting the tendency for better product design, efficient material usage as well as developments in recycling technologies and processes.

With connected and smart appliances and new user interfaces, there are more electronics components such as displays and touch screens in the products. Products are increasingly fitted with sensors and other technologies, including the use of small electronic components located away from a central printed circuit board, making certain materials more dispersed within a product.

Major trends impacting the material composition of products are production cost reduction. Especially the use of plastic polymers which has led to the reduction in production cost, the appearance of the product, safety requirements, and endurance of the product.

The year 2021-22 provided many challenges. The second wave of the pandemic and the resultant lock-down disrupted operations and dampened market sentiment. The Russia- Ukraine war led to supply chain imbalances and a surge in prices of fuels, raw materials and commodities. Prices of inputs such as steel, aluminium, have also spiked at its peak due to the ongoing

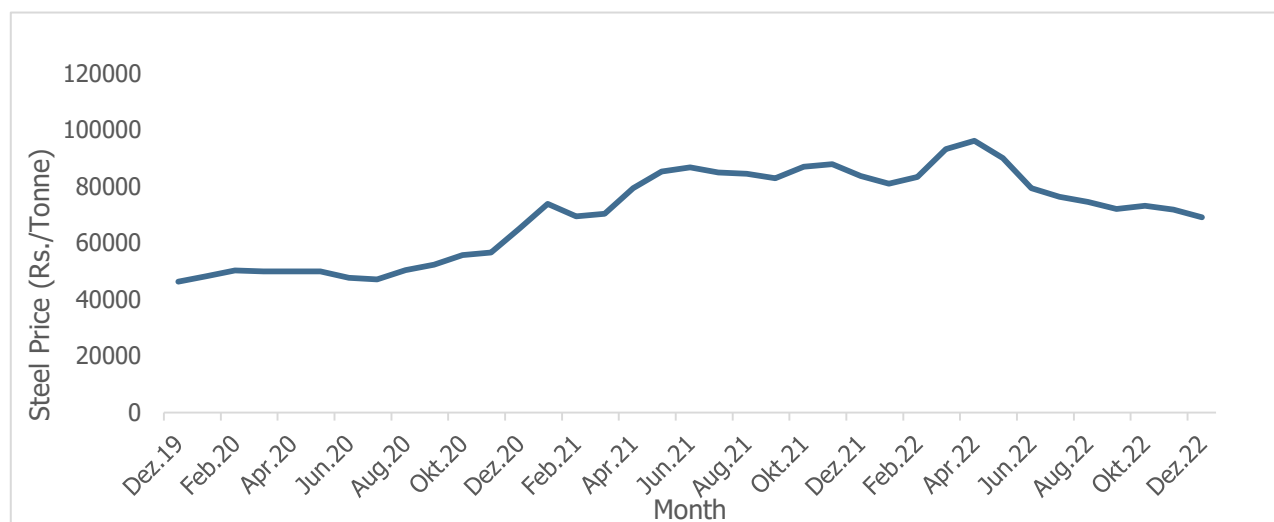
geopolitical tensions. Though, the commodity prices have softened now but players continue to hike price to recover earlier surges in raw materials. Nonetheless, with the prices of inputs such as steel, aluminium, declining gradually, the industry's profitability is expected to improve going forward. But the industry still faces the threat of spiraling inflation and increasing financing rates.

Some of the key raw materials used in manufacturing of kitchen appliances are steel, aluminium, copper and High-Density Polyethylene (HDPE). Pricing trends of each of these materials is mentioned below in detail:

### • Steel Price

India is the second largest steel producer in the world. Steel is consumed by various sectors like construction and infrastructure, capital goods, automobiles, consumer durables (kitchen appliances) and railways among other sectors. The Indian steel sector has been able to grow over the year due to domestic availability of raw material such as iron ore and cost-effective labour. The domestic steel production was at its highest at 114 million tonnes in FY22 (up from 96 million tonnes in FY21), an increase of 18.1% (y-o-y) on account of the revival in economic activities and low-base effect.

The average domestic finished steel prices peaked at Rs 96,079 per tonne in April 2022. After a sharp uptick, it started to witness a downward trend and declined to Rs 69,084 per tonne in December 2022, a decline of 17% on a y-o-y basis. The international prices were also on a declining trend on account of weak global demand. The domestic steel prices are expected to directionally follow the global prices and strengthen due to continued strong domestic demand and increase in input prices. In addition to the announcement on export duty, the import duty on steel raw materials was cut which is likely to lower the cost of domestic steel production. This is expected to enhance the availability of steel in the domestic market.



Source: CMIE

### Aluminium

Aluminium is one of the lightest metals in the world and is the second most used metal after steel. The production process of aluminium can be divided into upstream and downstream processes. The upstream process involves mining and refining activities and downstream process involves smelting, casting and fabricating. India is the second largest producer of aluminium followed by China. The country's aluminium consumption is mainly driven by its use in power (48%), automobiles (15%), construction (13%), packaging (8%), industrial (7%), and consumer durable (7%) sector.

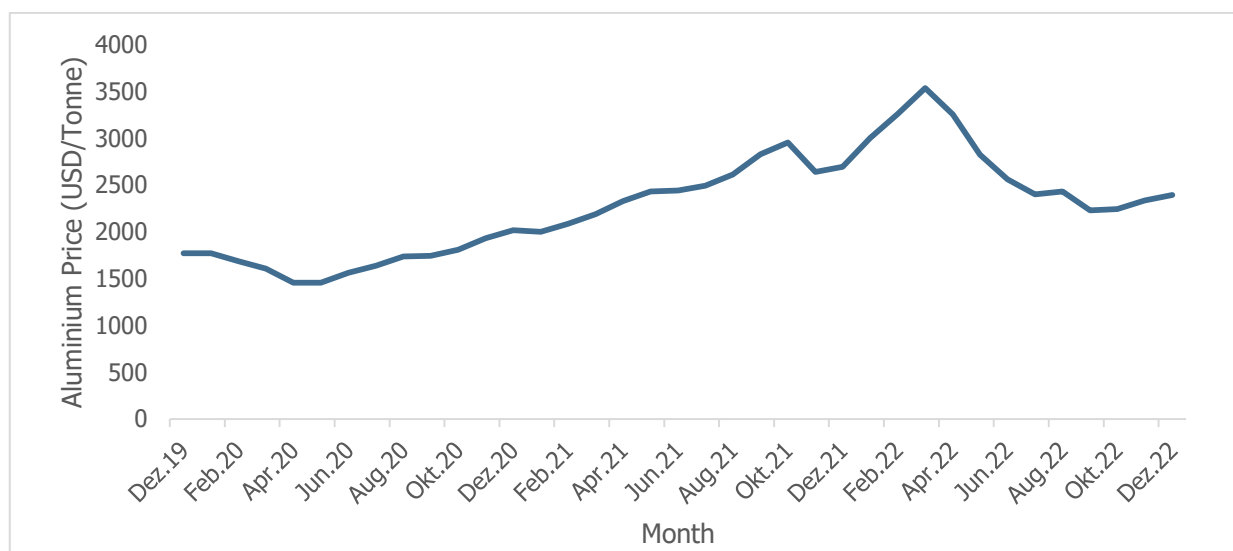
The aluminium price after remaining weak for two years in FY20 and FY21, witnessed growth of 54% in FY22 to USD 2,769 per tonne. The prices of aluminium touched USD 3,538 per tonne in the month of March 2022, a growth of 61% compared to the same month in previous year, due to rise in geopolitical tensions. Russia having the third largest capacity of aluminium affected the prices and led to the surge in prices. Additionally, lockdown in China (major producer of aluminium) and decision to close polluting smelters which pulled out some supply from the market also supported the price growth.

The prices further decreased by 11% in the month of December 2022 to USD 2,395 as compared to the corresponding period previous year. The volatility in prices was mainly observed due to low demand for aluminium in China due to lockdowns which led to stock pile up in China. The US Dollar index hit all time high amid the high interest rates offered by US Federal

Reserve which further weakened the commodity demand due to foreign exchange costs. Hence, the prices of aluminium fell in sync with London Metal Exchange (LME) prices. This, in turn, impacted prices of aluminium.

The demand for aluminium and aluminium products is stable on account of steady consumption growth, and correction in prices.

### Aluminium Price



Source: CMIE

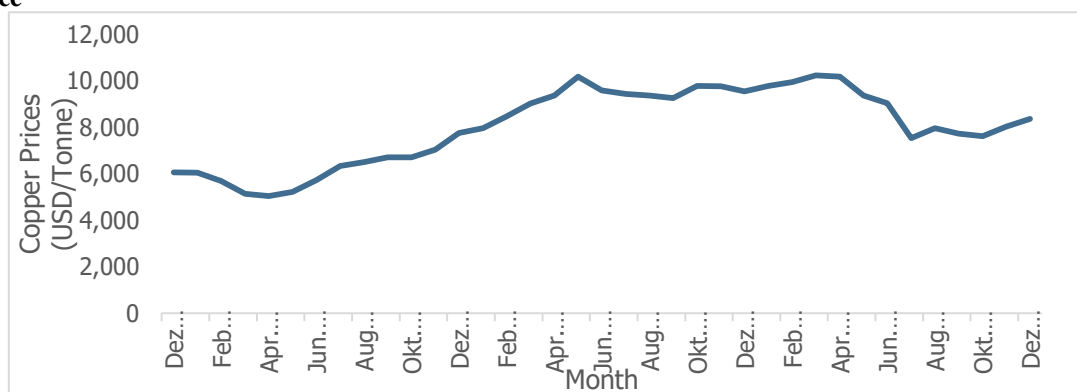
### Copper

Copper is majorly used in sectors like building and construction, infrastructure, consumer durables (kitchen appliances), electricals, telecommunications. The average prices of copper increased by 40.9% in FY22 to USD 9,686 per tonne from USD 6,875 per tonne in FY21.

The prices of copper peaked at its highest in March 2022 to USD 10,238 per tonne and increased by 13.47% over the previous year. This surge in prices was mainly because of tight supplies from main producers like Chile and Peru, low global inventories amid revival in economic activities after easing in Covid-19 restrictions. The price in May 2022 decreased by 8.06% to USD 9,363 per tonne from USD 10,183 per tonne in April 2022, due to the geopolitical tension around Russia and the weak international demand for the metal from countries like China, US and European nations. Moreover, the US Dollar index hit all time high amid the high interest rates offered by US Federal Reserve which further weakened the commodity demand due to foreign exchange costs. Ever since then, the prices have been showing a declining trend and fell to USD 8,367 per tonne in December 2022, a fall of 12% as compared to the corresponding period previous year.

Furthermore, the copper prices are expected to remain moderate in the near-term mainly because of softer demand from China due to Covid-19 related restrictions and lockdowns. The industry is also expected to witness moderation in revenues as the sales realizations will be lower as compared to previous fiscal.

### Copper Price



Source: CMIE

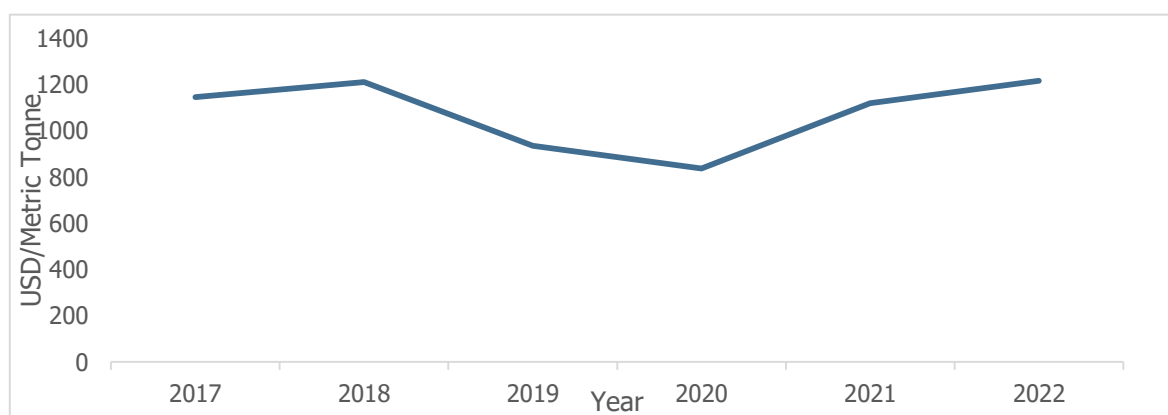
## High-Density Polyethylene (HDPE)

HDPE is a petroleum-based thermoplastic polymer, which is considered as one of the most versatile plastic materials available today. This is popularly known for its massive strength-to-density ratio, strong tensile strength, and intermolecular force, which is also harder, opaquer, and can withstand extremely high temperatures.

The increasing demand for kitchen appliances is expected to propel the growth of HDPE going forward. Kitchen appliances are consumer goods that have a long-life span (over three years) and are used over time. An increase in demand for kitchen appliances will increase the demand for HDPE as most of the kitchen appliances are manufactured using transformable plastic.

However, with concerns of global economic slowdown, the impact of war in Ukraine, lockdowns in China with resurging covid-19 cases, and the risks of stagflation envisaging numerous market scenarios are pressing the need for HDPE industry players to be more vigilant in the future. Robust changes brought in by the pandemic covid-19 in the HDPE supply chain and the burgeoning drive for a cleaner and sustainable environment are necessitating companies to alter their strategies.

## High-Density Polyethylene Prices



Source: CMIE

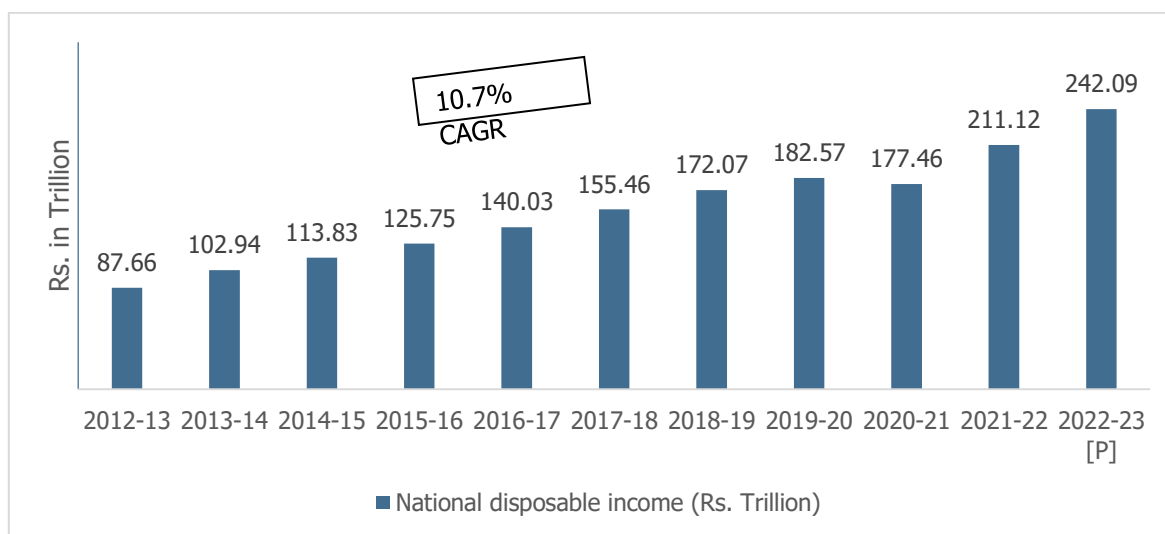
## KEY DEMAND DRIVERS OF THE INDUSTRY

The demand for a wide range of kitchen appliances is growing as a result of the ongoing increase in disposable income and technological innovation in India. This in turn is fuelling fierce competition among the various kitchen appliances brands that are available across the country.

- **Increasing disposable income**

With the rising disposable income, the demand growth is also accelerating, thus predicting a positive time for this sector. The overall increase in per capita income of the people has significant impact on the rising of the kitchen appliances sector in India. The consumers are very keen in elevating their lifestyle. The attractive marketing strategies of the manufacturing companies, peer pressure and competitive market lead to the booming fast-moving consumer durable (FMCD) industry in India. Between the period fiscal 2013 to fiscal 2023, net disposable income has registered CAGR of 10.7%.

## Net Disposable Income for past decade



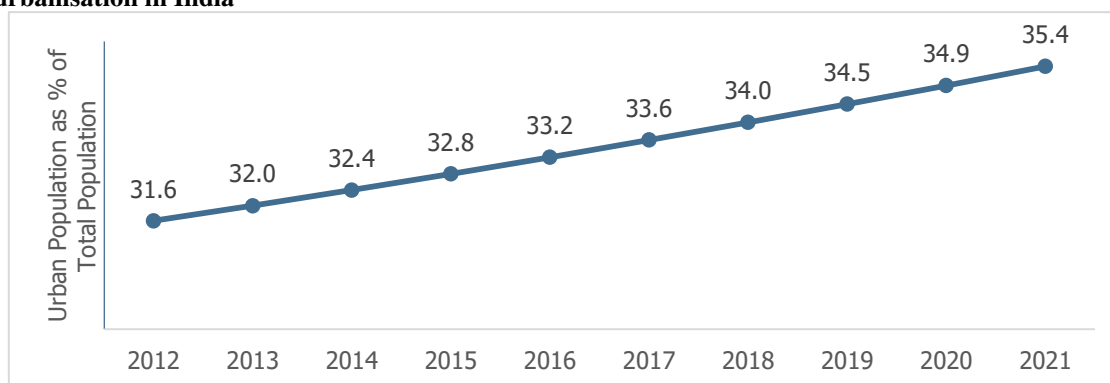
Source: CMIE

### • Urbanisation

Urbanization is a key driver of India's overall growth. The kitchen appliances industry is estimated to grow strongly due to rapid urbanization, increase in nuclear families and a growing middle class with high disposable incomes and aspirational living standards. Urbanization of India's population is growing on a larger population base. People living in Tier-II and tier-III cities have greater purchasing power parity, high internet penetration, and increasingly brand-conscious young population. Delhi, Mumbai, and Kolkata will be among the world's largest cities and cumulatively become home to 100 million people. This rapid urbanization would increase the demand of kitchen appliances industry. Apart from changing lifestyles and working styles urbanization has led to growth in the organized retail sector; this in turn has led to change in consumer buying behaviour. Rising urbanization in India leads to increase in overall retail spending in India which would directly benefit the kitchen appliances and cookware market as the highest share of people's expenditure is on food.

The urban population in India is estimated to have increased from 403 million (31.6% of total population) in the year 2012 to 498 million (35.4% of total population) in the year 2021.

### Trend of urbanisation in India



Source: World Bank Database

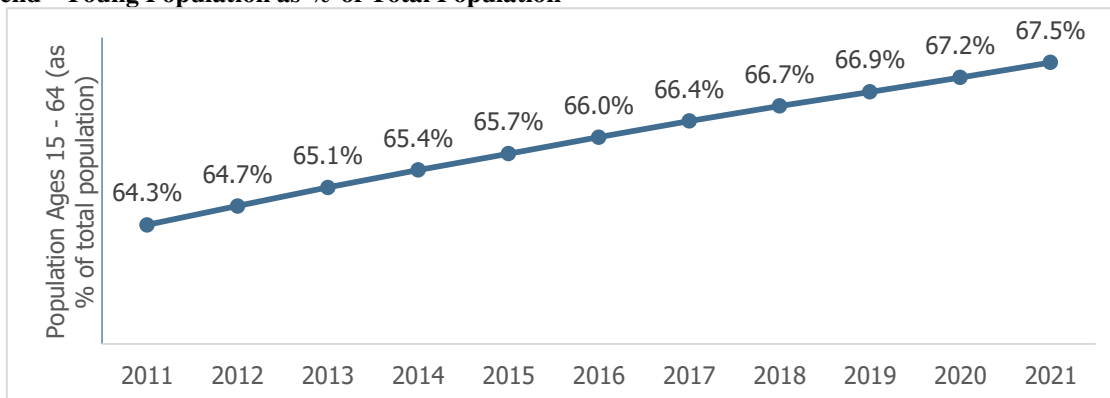
### • Favourable demographics and increasing domestic customer base

With 1.3 billion people, India is the second most populous country in the world, but with an average age of 29, it has one of the youngest populations globally. As this vast resource of young citizens enter the workforce, it could create a 'demographic dividend'. India is home to a fifth of the world's youth demographic and this population advantage could play a critical role in growth of Kitchen Appliances industry.

With the rise of working women, increasing proportion of working population and younger age group amongst the urban population in India, the demand is expected to grow for this industry. Rise in education among the youth could lead to a decline in dependency ratio and enhance lifestyles. This, in turn could strengthen consumer spending.

The population ageing 15-64 years accounts for about 67% of total population in India with about 950 million population in the year 2021.

#### Yearly Trend - Young Population as % of Total Population



Source: World Bank Database

#### • Consumer Behaviour

Customers' behaviour has undergone a massive shift over the last few years. Consumers demand products that are value for money and offer a superior experience with better connectivity, advanced technology and a premium look and feel, rather than opting for the cheapest appliance or gadget.

Below mentioned table depicts the amenities used by each of these classes:

	Rich India	Middle India	Poor India
Avg. annual exp (Rs.)	2,67,297	1,39,939	92,608
Amenity of LPG Stove	82%	47%	23%
Amenity of Separate Kitchen	77%	48%	37%

Source: Household Survey of India's Consumer Economy and Consumer Environment (ICE360<sup>01</sup> Survey), 2014

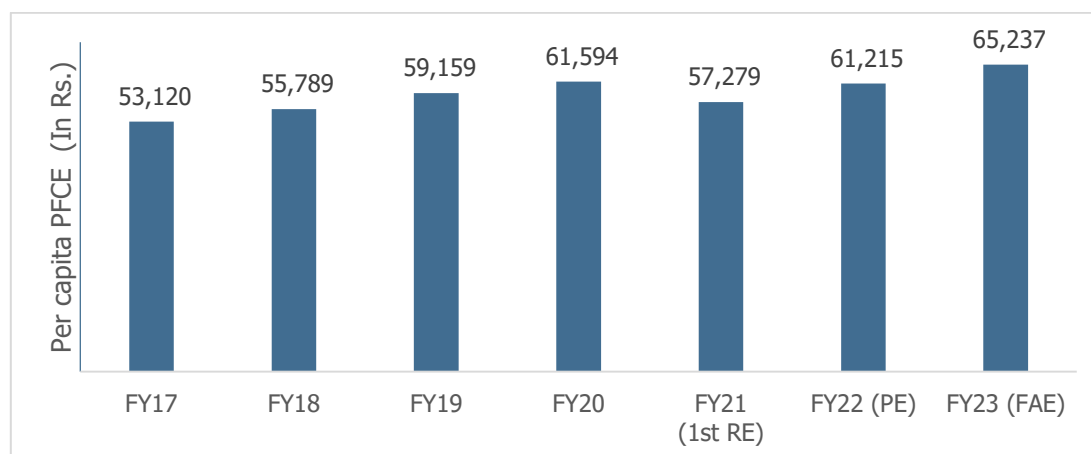
In addition, the health consciousness with preference for home cooked food and work from-home trends are seen as major demand drivers. An increased shift in consumer preference for sustainability and energy efficient, connected products, embedded with advanced AI technologies, is marking the next stage of market growth for the Kitchen Appliances industry. While there has been a continuous increase in the role of technology in the kitchen appliances industry, it is expected that the trend will continue to grow going forward in coming years. As a result, manufacturers are expected to continue to focus on building a solid pipeline of products that meets these expectations.

There has been gradual change in consumer spending behaviour as well. Private Final Consumption Expenditure (PFCE) which is measure of consumer spending has also showcased growth in past decade. Wherein, spending on home appliances category accounts for 0.1% of total expenditure.

Following chart depicts the trend of per capita PFCE:



## Trend of Per Capita Private Final Consumption Expenditure



Source: MOSPI

- **Easy-availability of financing**

Consumer financing has become a major driver in the consumer durables industry. Retailers are providing easy financing options to the consumers by partnering with banks. The easy-availability of consumer financing is beneficial mainly for the lower- and middle-income group, especially when the cost of capital and flexibility of the scheme is in their favour.

- **Shift towards digital platforms**

The digital platforms of shopping and the secured online payment structures also contribute to the development of this sector. Consumers have been digitally influenced by the e-commerce platforms. There is large percentage of people who visit online platforms before buying the items offline. They compare the rates, the features, read the reviews and then they plan to invest in a particular kitchen appliance. More than 70% of the Indian population is hail from the rural sector. The Government has started many campaigns and initiatives to improve internet connectivity, the campaign of “Make India Digital”. The cheaper internet rates and the competitive rates of smartphones have played a positive role in boosting the sale of consumer durable as a whole. Rapid internet penetration, increasing smart phone usage and rise in digital literacy are accelerating the migration to e-commerce and digital payments, with online platforms bringing the brands closer to the consumers. This has enabled greater penetration of brands to Tier-II plus cities in India, enlarging the customer base in hitherto underrepresented markets.

- **Growing e-commerce penetration**

India is expected to become the world’s fastest growing e-commerce market, driven by robust investment in the sector and rapid increase in the number of internet users. The major contributor to e-commerce retail sales are consumer electronics and apparels followed by food & grocery, jewellery, furniture and others.

The E-Commerce sector is expected to grow at a CAGR of 19% during the period FY20 to FY25. This growth in the sector is driven by the increase in number of mobile users, internet connection, grocery and fashion/apparel. The online shoppers in India are expected to reach 220 million by FY25 and the penetration of online retail market is expected to reach 10.7% by FY24 from 4.7% in FY19.

The Government of India is planning to create a Billion Dollar Online Economy by 2025 through its ‘Digital India Campaign’.

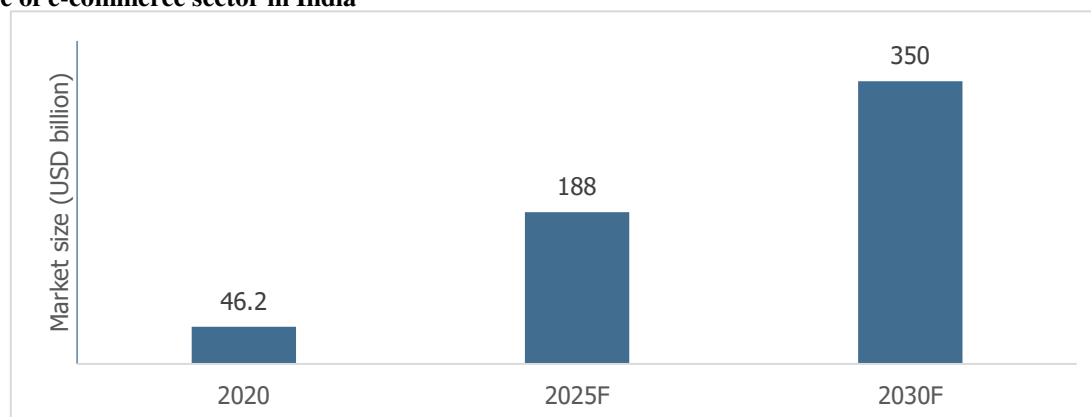
India has more than 800 million internet users in December 2022 as per Ministry of Electronics and Information Technology (MeITY). This displays that there is access to the information. As per the data from Telecom Regulatory Authority of India (TARI) India’s overall internet user base grew 4.3% year-on-year in CY2021 to 829.3 million after steady double-digit growth during 2015-20 amid the rising prices of entry- level smartphones that slowed down 2G-to-4G conversion. New mobile internet subscribers fell 40-45% in 2022 following the jump in base smartphone prices, weighing down India’s internet user base growth, a trend likely to continue in 2023. The number of new subscribers using the mobile internet per year plunged from pre-covid levels of 60-70 million to around 35-40 million in CY2022. The full-fledged arrival of 5G across India is gradually leading to smartphone becoming more affordable, which in turn could lead to customers upgrading directly to 5G services.

The COVID-19 pandemic has had an impact on the Indian kitchen appliances sector, both positively and negatively. The desire for home-cooked meals had surged due to lockdowns and limitations, increasing sales of kitchen appliances such as mixers, grinders, and others. The pandemic, on the other hand, has disrupted the supply chain for kitchen equipment, with manufacturing and distribution facilities closing or working at reduced capacity. This has resulted in product shortages and price increases for various appliances.

To counter the COVID-19-associated challenges, the major companies advanced to digital sales channels, adopted new business strategies, and started or improved their social media presence. The transition to digital platforms resulted in an upsurge in the online retail business. Irrespective of the increase in their digital presence, small and medium-sized manufacturers may face challenges when attempting to enter and take advantage of the e-commerce market, as they face tough competition from well-established large businesses. When physical stores were closed or operated at a reduced capacity, the transition to Internet sales intensified.

Growth in online retail platforms such as e-commerce and social media is expected to offer lucrative growth opportunities to major market players during the forecast period. E-commerce is helping businesses to become more efficient as well as reliable. It is now very important for kitchen appliance companies to have a presence on online sales channels to be able to maintain a competitive edge in the global market. Moreover, online sales channels are key indicators in the globalization of business. Kitchen appliances manufacturing companies can offer their products on e-commerce websites that can help customers with an up-close view of the product. This website can help companies to gather information on customers which can be useful for future marketing.

#### Market size of e-commerce sector in India

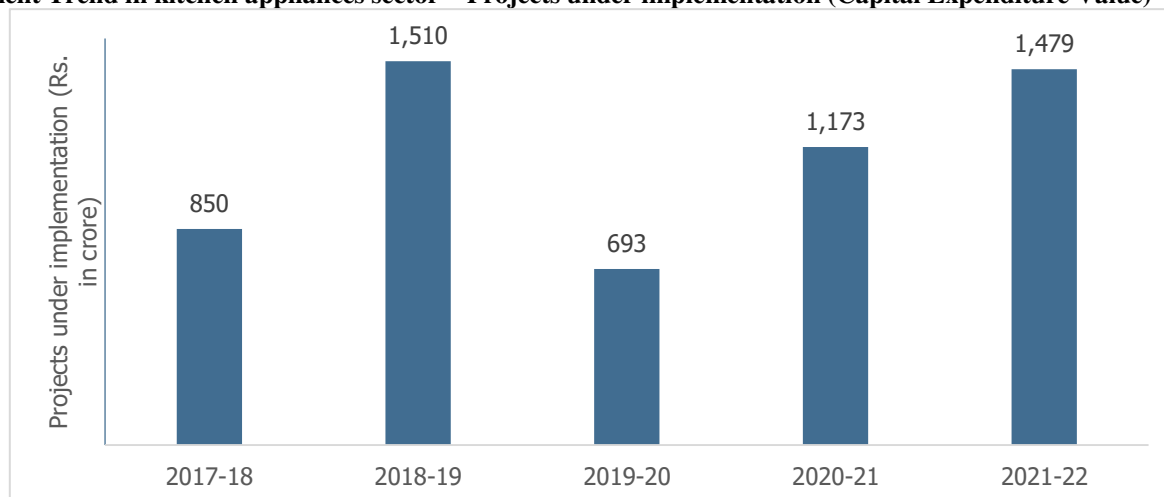


Source: xxxx

- **Growing Investments**

The players of the kitchen appliances industry are making investments across their portfolios with the growing domestic and exports demand. Rapid expansion of the food industry and the growing use of advanced technology in built-in kitchen appliances is accelerating the demand for built-in kitchen appliances amongst consumers. Players like Whirlpool of India Ltd., Samsung India Electronics Private Limited, Haier Smart Home Co. Ltd., Bajaj Industries Ltd, Philips India Limited, Samsung India Electronics Pvt. Ltd., Sunflame Enterprises (P) Ltd., TTK Prestige Limited are making investments across their portfolios to meet the increasing demand for kitchen appliances. The capital expenditure underway for Kitchen Appliances sector for the FY22 stands Rs. 1,479 crores as compared to Rs. 850 crores in FY18 showing significant increase in capacity expansion.

### Investment Trend in kitchen appliances sector – Projects under implementation (Capital Expenditure Value)



Source: CMIE

### INDUSTRY RISK AND MITIGATION

The Indian kitchen appliances industry has faced several challenges in the recent past with COVID-19-induced lockdowns, semiconductor shortages and poor consumer sentiment.

#### Slowdown in economy

India's gross domestic product growth rate have slowed down to 4% in FY20 and -7.3% in FY21. The outbreak of Covid-19 in year 2020 negatively impacted the demand and further contributed to slowdown. There has been a sluggishness in domestic private consumption demand, manufacturing, merchandise exports growth. Sluggishness in private consumption is reflected in limited income growth, cost increases, slowing real estate demand and an overall dent to consumer sentiment. In fact, much of this cyclical slowdown has affected sectors that are large employment generators, suggesting that incomes and/or employment growth in them are expected to have suffered. As households have been dipping into their savings while also leveraging themselves, their ability to spend could be constrained. In addition to the consumption slowdown, the demand was further impacted by continued tightening of liquidity conditions and negative sentiments in the rural market. Despite of the macro-economic challenges, India bears good tidings for becoming fastest growing economy in the world.

#### Semi-Conductor Shortage

The industry has been reeling from semiconductor shortages over the past few years. Several kitchen appliances manufacturers had to plan to supply chain operations keeping in mind the challenges in the global ecosystem. The supply chain has been impacted due to the pandemic and the chip production takes almost 6 months to develop into the final product. The semiconductor chip shortage remains the most significant headwind on a global level. There have been some signs of improvement recently. However, it remains to be seen when the industry will return to a more stable rate of production. In order to mitigate this issue, the Government of India has launched PLI scheme which offers a production linked incentive to boost domestic manufacturing and attract large investments in specified sectors. The scheme shall extend an incentive on incremental sales (over base year) of goods manufactured in India and covered under target segments, to eligible companies, for a period of five (5) years. The government has proposed to provide incentives of Rs. 76,000 crores for the development of semiconductors and display manufacturing ecosystem which will provide globally competitive incentive package to the companies for setting up plants in India in order to manufacture high quality semiconductor chips over the next 6-10 years. This initiative will further help to strengthen the domestic semiconductor manufacturing capacity in India.

#### Volatility in raw material prices

OEMs across the kitchen appliances industry are facing challenge of high raw material prices. The prices of inputs such as steel, aluminum etc. spiked due to the ongoing geopolitical tensions, therefore manufacturers have increased prices of appliances. The economically less-privileged segment of buyers which are sensitive to increase in price are more likely to get impacted which might lower the demand sentiment. Nonetheless, with the prices of inputs such as steel, aluminum declining gradually, the industry's profitability is expected to improve going forward.

## High competition

The kitchen appliance industry is highly fragmented as there is competition from various domestic and international players. There are some of the big multinational brands like Haier, Bosch and Midea who are in competition to the domestic players. These domestic players include both - organised and unorganised players. The growth trajectory in kitchen appliances industry has encouraged new entrants to enter into this industry with new business models. In such highly competitive environment, to gain more market share the players are likely to reduce the pricing which is a challenge for the existing players.

## GOVERNMENT INITIATIVES AND POLICIES

The Indian Government has taken several initiatives to augment the growth of the kitchen appliances sector. Some of these initiatives are Make in India Initiative, Pradhan Mantri Ujjwala Yojana (PMUY), Deen Dayal Upadhyaya Gram Jyoti Yojana, Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Saubhagya Scheme – Rural Electrification, National Policy on Electronics Policy. These initiatives and policies are expected to augment the growth of kitchen appliance sector.

### • Make in India Initiative

‘Make in India’ was launched to transform the country into a leading global manufacturing and investment destination so that potential investors and partners across the world would participate in the growth story of 'New India'. There is a surge in demand for kitchen appliances, which is giving a push to manufacturing in India. The Union Government has exempted taxes on certain components and parts to promote manufacturing in India. Apart from these, there are export incentives and reduced customs duties on raw material imports. Several other measures have been taken to give the Make-in-India plan a boost and promote the manufacturing of electronic items which were earlier imported from other countries and assembled in India. The government’s project ‘Make in India’ is expected to lead the growth and investment opportunities within the kitchen appliances industry.

Some of the Government impetus for ‘Make in India’ in Consumer Durables Sector includes below policies and schemes includes:

- Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme – This scheme provides financial assistance in setting up manufacturing unit.
- Modified Special Incentive Package Scheme (MSIPS) – This scheme provides new and expanding electronic manufacturing units receive incentives along with re-imbursement on excise duties and central tax for high capital investments units.

### • Pradhan Mantri Ujjwala Yojana (PMUY) –

Ministry of Petroleum and Natural Gas (MOPNG) in May 2016, introduced the ‘Pradhan Mantri Ujjwala Yojana’ (PMUY) as a flagship scheme, with an objective to make clean cooking fuel such as Liquefied Petroleum Gas (LPG) available to the rural and deprived households to safeguard the health of women & children which were otherwise using traditional cooking fuels such as firewood, coal, cow-dung cakes etc. Usage of traditional cooking fuels had detrimental impact on the health of rural women as well as on the environment. Under the scheme, Rs 8000 crore had been earmarked for providing five crore LPG connections to Below Poverty Level (BPL) households. The Scheme provides a financial support of Rs 1600 for each LPG connection to the BPL household. With advent of such government initiatives, a large untapped market has surfaced for kitchen appliances like cooktops in interior region as well. This enables kitchen appliances players to generate more sales in terms of volumes as well as value.

Subsequently, the scheme was expanded in April 2018 to include women beneficiaries from seven more categories (Scheduled Caste/Scheduled Tribe, Pradhan Mantri Awaas Yojana, Antyodaya Anna Yojana, Most backward classes, tea garden, forest dwellers, Islands). Also, the target was revised to 8 Crore LPG connections. In the Union budget for FY 21-22, provision for an additional one crore LPG connection under the PMUY scheme was announced. This one crore additional PMUY connections (under Ujjwala 2.0) aim to provide deposit-free LPG connections to those low-income families who could not be covered under the earlier phase of PMUY. Along with a deposit free LPG connection, Ujjwala 2.0 will provide first refill and hotplate free of cost to the beneficiaries. In Ujjwala 2.0, migrants will not be required to submit ration cards or address proof. A self-declaration for both ‘family declaration’ and as a ‘proof of address’ will suffice. Ujjwala 2.0 will help achieve the Prime Minister’s vision of universal access to LPG.

This initiative has helped kitchen appliances manufacturers to partner with the oil and gas companies like HPCL, BPCL, as a co-branding strategy with new gas connections, in order to increase sales.

- **Deen Dayal Upadhyaya Gram Jyoti Yojana and Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Saubhagya Scheme – Rural Electrification**

Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) is designed to provide continuous power supply to the entire rural India. It is one of the key initiatives of Government of India and a flagship programmes of the Ministry of Power which will facilitate 24x7 supply of electricity. The DDUGJY can benefit rural households significantly as electricity is extremely vital for growth and development of the country.

The Government of India launched Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Saubhagya in October, 2017, with the objective to achieve universal household electrification by providing electricity connections to all un-electrified households in rural areas and all poor households in urban areas in the country. All the States and Union Territories (UTs) have signed MoUs with the Central Government to ensure 24x7 power supply to all households, industrial & commercial consumers and adequate supply of power to agricultural consumers

The India government's DDUGJY scheme has led to intense electrification of Indian villages. The overall intense electrification is expected to bring in overall socio-economic development in rural areas, mainly in terms of improved connectivity to all villages and rural households, more access to mass communication media (radio, telephone, television) and increased agricultural productivity, among others.

Consumer appliances market is also expected to witness higher penetration with growing rural electrification endeavours. The Indian Government's continued push for rural electrification could benefit a host of consumer durables and electronics makers, mainly Food preparation and other Kitchen Appliances. Also, the recently introduced 'Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya)' scheme, which promises electricity to every Indian household by 2018, is likely to shed more light on profitability of consumer appliances makers over the next few years.

- **National Policy on Electronics Policy**

In 2019, the Ministry of Electronics and Information Technology passed the National Policy on Electronics Policy. A new Consumer Protection Bill was passed to make the existing rules more effective. There are some electronic kitchen appliances that operate on battery. The government has encouraged the manufacturing of battery chargers in India which will help innovation for kitchen appliances industry. The battery market is ripe at this moment, due to which several investments are being done by the government.

- **Foreign Direct Investment**

The Foreign Direct Investment (FDI) into single-brand retail has increased from 51% to 100% thus encouraging the foreign brands to reach the domestic users. For reducing dependence on imports, the Government of India has allowed 100% FDI in the electronics hardware manufacturing sector through the automatic route and 51% FDI in Multi-brand retail sector. Under the automatic route in the ESDM (Electronic System Design & Manufacturing) sector, 100% FDI is allowed, with foreign companies setting up manufacturing units in India. This proved to be a key attraction for foreign investors in the kitchen appliances industry.

- **GST Rates on Kitchen Appliances Industry**

The kitchen appliances industry has been subjected to GST based on their purpose and field of application. GST has also aided in ensuring uniformity of indirect tax rates across the country. The implementation of GST aims at reducing several tax burdens on manufacturers and foster their growth through more production. The below table depicts GST rate structure:

**GST Tax rate**

12%	18%
- Non-stick Appliances	- Ceiling Fan
- Pressure cooker (Aluminium)	- Cooking hoods
	- Rice Cooker
	- Gyser
	- Iron
	- Cooktop
	- Kettle
	- Chopper
	- Water Bottle

## **COMPETITIVE LANDSCAPE**

The Indian kitchen appliances market is highly competitive. The key areas of competition in this industry are product range, quality and features, design, price, delivery, general customer experience, time to market, availability of after-sale services. The competitors include various domestic and multinational companies in India. Amongst listed players, the major competitors include TTK Prestige Limited, Hawkins Cookers Limited, Butterfly Gandhimati Appliances Limited, Stove Kraft Limited. Amongst unlisted companies, the major competitors include Preethi Kitchen Appliances Private Limited, Franke Faber Private Limited, Sunflame Enterprises Private Limited and Glen Appliances Private Limited. Additionally, there is competition from a number of regional, unorganized manufacturers and retailers as well.

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Greenchef”, “Company” or “we”, “us” or “our” means Greenchef Appliances Limited.*

*All financial information included herein is based on our “Financial information of the Company” included on page 195 of this Red Herring Prospectus.*

### OVERVIEW

We are engaged in the business of manufacturing and marketing of wide range of kitchen appliances under the brand name of Greenchef. Our kitchen appliances include wide range of solutions comprising of Gas Stoves, Pressure Cookers, Mixer Grinders, Wet Grinders, Electric Rice Cooker, Induction Cooktops, Non-stick Cookwares like: Tawa, Fry Pan, Kadai, Biryani Pot, Tadka Pan, Paniyarakkal, Appamchetty etc, Kettles, Hose Pipes, Gas Cylinder Trolley and Spin Mop. Further our company is also engaged in marketing of appliances like: Chimney, Stainless Steel Utensils, Blenders, Vegetable Chopper, Silicon Gasket, Water Bottles, Fans, Iron etc. We also trade in other appliances including (i) Chimney, (ii) HOB Gas Stoves, (iii) Iron (i) Stainless steel utensils, (i) Blenders, (ii) Vegetable Chopper, (Iii) Water Bottles, (Viii) Silicon Gasket etc vide distributors and dealers across India. These products are also sold on online platforms like Flipkart India Private Limited, Jiomart, Bigbasket and Amazon Seller Services Private Limited. For details on sales and marketing approach for the said products please refer note on “Sales and Marketing” on page 155 of the Red Herring Prospectus. Our range of products are offered at different pricing points to meet diverse customer requirements. Greenchef is an emerging player in the Indian Kitchen Appliances like Gas Stoves, Pressure Cooker, Wet Grinder, Non-stick cookware, Induction Cooktop, Kettle and Rice Cooker. (Source: CareEdge Report)

We manufacture the majority of core products like: railing pipe, mixing tube, brass burner, pan support etc required in Gas Stoves, weight valve and vent tube required in pressure cookers, mixi motor and jars required in Mixer Grinders etc. This enables us to control and monitor the quality and costs of these products. For certain product categories and sub-categories, we engage in sourcing from third party manufacturers both domestically and from outside India. For sourced products, we have a dedicated team to undertake inspection and ensure that such products are built to suit our specifications in terms of design and quality. We also provide after sales services in relation to our products. These services include repairs and maintenance of sold goods and installation Services. Our service charges vary from type of services (In warranty, out - of warranty), place of service (Home service, dealer location service) and on the nature or type of the product. The service charges depend on the type of product and services availed by the customers. As of December 31, 2022 our service team comprised of 130 service technicians across 13 states. Further we have also appointed 107 authorized service providers across 15 states. Our CRM software enables us to track customer requests and after sales support to ensure customer satisfaction.

We have three manufacturing facilities located at Bengaluru, Karnataka and one manufacturing facility located at Parwanoo, Himachal Pradesh. Our Parwanoo facility is focussed on manufacturing of Gas Stoves and hose pipes for which Our Company has also entered into marketing agreement with oil companies like: Hindustan Petroleum Corporation Limited, Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited. Under these agreements, they authorize us to use their logo on our products like Gas Stove, Hose pipe, Trolley etc. manufactured as per their specifications. The said products are sold to distributors and they in turn sell to dealers that are mostly Authorised Gas Agencies of these oil companies. We pay channel access fee to the oil companies and for every product sold, we pay a commission to these oil companies. Our manufacturing facilities are accredited with ISO 9001:2015 for quality management system.

As of December 31, 2022, our manufacturing facilities are well connected with five strategically located C&F agents in the state of Rajasthan Maharashtra, Uttar Pradesh, Gujarat and Bihar. Additionally as on December 31, 2022 we have around 450 distributors in 22 states and 3 union territories of India. The C&F agents and distributors are, in turn, connected with a dealer network for sale of our products through their respective retail outlets. Further we are approved vendors of various modern retail chains such as DMART, Reliance Retail Limited, StarBazaar for the sale of our products from several of their retail outlets in India. Our products are also sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Bigbasket and Amazon Seller Services Private Limited.

Our Company was founded by our Promoters, Sukhlal Jain, Praveen Kumar Sukhlal Jain and Vikas Kumar Sukhlal Jain with experience of around 51 years, 20 years and 22 years in the kitchen appliances industry. We believe that the sector-specific

experience and expertise of our promoters has contributed significantly in the growth of our Company. We have received the below mentioned prestigious awards in the past that bear testimony to the customer confidence our products have gained over the years.

- Recognition of excellence for the Best Home & Kitchen Appliances Manufacturer by Karnataka Business Awards 2022.
- India's Best Brand of the year Awards 2022, Organized by Berkshire Media LLC, USA.
- Fastest Growing Brands in FY 19-20 for category Home and Kitchen Appliances by United Research Services.
- Asia's Most Trusted Brand in 2021 by International Brand Consulting Corporation, USA

### Key Performance Indicators of our Company

(₹ in Lakhs except percentages and ratios)

Key Financial Performance	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations <sup>(1)</sup>	25,482.78	33,578.47	23,899.10	23,754.52
EBITDA <sup>(2)</sup>	1761.77	728.60	858.34	699.99
EBITDA Margin <sup>(3)</sup>	6.91%	2.17%	3.59%	2.97%
PAT	1021.55	76.54	251.34	111.77
PAT Margin <sup>(4)</sup>	4.01%	0.23%	1.05%	0.47%
Net Worth <sup>(5)</sup>	6,062.39	5,170.68	5,093.27	4,854.57
RoE(%) <sup>(6)</sup>	18.19%	1.49%	5.05%	2.33%
RoCE (%) <sup>(7)</sup>	12.52%	4.04%	6.76%	5.78%

\*Not Annualized

### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

### OUR COMPETITIVE STRENGTHS

#### *A one stop shop for kitchen solutions with a diverse range of products across consumer preferences*

Commenced our operations from a small size trading company in kitchen appliances to a manufacturing company with wide range of products like: Gas Stoves, Pressure Cookers, Mixer Grinders, Wet Grinders, Electric Rice Cooker, Induction Cooktops, Non-stick Cookwares, Kettles, Hose pipes, Gas Cylinder Trolley and Spin Mop with revenue from operations of ₹ 25,482.78 lakhs, ₹ 33,578.47 lakhs, ₹ 23,899.10 lakhs, ₹ 23,754.52 lakhs for period ended December 31, 2022 and Fiscal 2022, 2021 and 2020, and a presence in 22 states and 3 Union Territories of India. Our brand, Greenchef, in the Indian kitchen appliances industry is offering its customers to engage with the products specifically designed for their budget and lifestyle. As a result of our co-branding initiatives with oil companies such as Indian Oil Company Limited, Hindustan Petroleum Corporation Limited, Bharat Petroleum Corporation Limited to utilize their sale and distribution channels, our Gas Stoves have enjoyed a wide customer outreach. In this regard, Ministry of Petroleum and Natural Gas (MoPNG) in May 2016, introduced the 'Pradhan Mantri Ujjwala Yojana' (PMUY) as a flagship scheme, with an objective to make clean cooking fuel such as Liquefied Petroleum Gas (LPG) available to the rural and deprived households to safeguard the health of women & children which were otherwise using traditional cooking fuels such as firewood, coal, cow-dung cakes etc. This enables kitchen appliances players to generate more sales in terms of volumes as well as value. (Source: CareEdge Report)

We have obtained 17 design registrations in relation to our various products like: Mixer Grinders, Wet Grinders, Gas Stoves, which further strengthen our approach towards diversification. We believe that we have undertaken the diversification of our product portfolio on the basis of the needs of the customers, and we regularly seek their insights and feedback to ensure that our product range is optimized to ensure customer satisfaction. Over the years we have successfully developed a wide number of SKUs for each product category.

#### *Emerging player in some of the key verticals*



Greenchef is an emerging player in the Indian Kitchen Appliances like Gas Stoves, Pressure Cooker, Wet Grinder, Non-stick cookware, Induction Cooktop, Kettle and Rice Cooker. Set forth below is the summary of our key product segments and market share in India (*Source CareEdge Report*):

Sr. No.	Products	Total Domestic Market		Greenchef's Market Share
		In Volume (In "000")	In Value (In USD Mn.)	
1	Gas Stoves & Hob	-	386	5.44%
2	Pressure Cooker	31,250	336	2.08%
3	Mixer Grinder	19,024	670	1.55%
4	Wet Grinder	376	25	6.4%
4	Non-Stick Cookware	6,067	88	6.39%
5	Induction Cooktop	2,604	81	6.87%
6	Kettle	1,035	21	17.75%
7	Electric Rice Cooker	2,176	64	1.16%

*Source: CareEdge Report*

We believe that our experience in manufacturing, successful backward integration and design capabilities, strong relationships with our suppliers and customers has resulted in us achieving emerging market position in some of our key product verticals. We believe our emerging position helps us in buying components at competitive prices, achieve operational efficiencies, helps us in continuing to expand our customer base and further strengthens our relationship with customers. It further enhances our ability to diversify into related products and enter new geographies.

Increasing disposable income, Urbanization, Favourable demographics and increasing domestic customer base, Consumer Behaviour, Easy-availability of financing, Shift towards digital platforms, Growing e-commerce penetration, PLI Schemes, Growing Capital Expenditure are Key Demand Drivers of the Industry in India. (*Source: CareEdge Report*). We believe that our market penetration together with expansion plans for our manufacturing facilities as well as backward integration into manufacturing, enable us to be well-positioned to capture the growing demand.

***Widespread, well connected distribution network with a presence across multiple retail channels and online e-commerce platforms and a dedicated after-sales network.***

We believe that the integration of our supply chain and distribution network with our manufacturing facilities provides us with a competitive advantage over other players in the Indian kitchen appliances industry. As of December 31, 2022, our manufacturing facilities are well connected with five strategically located C&F agents in the state of Rajasthan Maharashtra, Uttar Pradesh, Gujarat and Bihar. Additionally as on December 31, 2022 we have around 450 distributors in 22 states and 3 union territories of India. The C&F agents and distributors are, in turn, connected with a dealer network for sale of our products through their respective retail outlets. Further we are approved vendors of various retail chains such as DMART, Reliance Retail Limited, StarBazaar for the sale of our products from several of their retail outlets in India. Further, we our products are sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Bigbasket and Amazon Seller Services Private Limited.

We believe that even with our expanded geographical outreach across India, our operations have the ability to quickly respond to a complex web of suppliers and customers, changing consumer preferences and constantly fluctuating demand. We strive to ensure that the quality of our products is complemented by the after-sales services provided to our customers across segments, through a dedicated CRM and a large team of service personnel to cater to the requirements of our customers. As of December 31, 2022 our service team comprised of 130 service technicians across 13 states. Further we have also appointed 107 authorized service providers across 15 states.

We engage in a wide range of marketing and advertising activities, including in-shop displays, banners & hoardings like: advertisements on flex boards, mdf display boards, backlit boards, glow sign boards, ACP boards, flange glowing boards etc, social media marketing, arch installations, road show marketing, advertisements in theatres, newspapers, TV channels, bus shelter branding, tricycle campaign etc which enable us to maintain the popularity and recall the brand value. We also maintain an in-house team of 164 sales and marketing personnel who continuously engage with various publications and advertisement agencies.

***Strong manufacturing capability with efficient backward integration***

We have three manufacturing facilities located at Bengaluru, Karnataka and one manufacturing facility located at Parwanoo, Himachal Pradesh. Our manufacturing facilities are accredited with ISO 9001:2015 for quality management system. As of

December 31, 2022 our manufacturing facilities have an aggregate production capacity of 51.48 lakhs units per annum to manufacture Gas Stoves, Pressure Cooker, Mixer Grinder, Wet Grinder, Electric Rice Cooker, Induction Cooktop, Non-stick Cookwares and Kettle.

We have the ability to manufacture components such as railing pipe, mixing tube, brass burner, pan support, weight valve, vent tube, sheet metal components, die cast parts and fixtures in house for manufacturing our products. We believe the backward integration of our manufacturing facilities has reduced our dependence on third party suppliers for such components resulting greater control on the manufacturing process. Backward integration also provides upper edge in designing of products, enhanced quality of products and customer retention capability.

Our manufacturing facilities are equipped with quality machinery, assembly lines and power backup. For the stub period ended on December 31, 2022, fiscals 2022, 2021 and 2020, our setup includes plant and machinery of Rs. 1,582.84 lakhs, Rs. 1396.00 lakhs, Rs. 636.96 lakhs and Rs. 728.01 lakhs that helps us bring efficiencies and economies of scale.

### ***Consistent focus on quality***

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. Our focus on quality is maintained at all stages right from the sourcing of raw materials, which is undertaken from manufacturers to the product manufacturing and assembly stage, which is subject to a rigorous review and monitoring process undertaken at our manufacturing facilities. For products which are sourced by us from third party suppliers, we have a dedicated sourcing team and quality assurance team, which closely monitors the quality of such products.

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

Our Promoters, Sukhlal Jain, Praveen Kumar Sukhlal Jain and Vikas Kumar Sukhlal Jain have been associated with our Company since its inception and have an experience of around 51 years, 20 years and 22 years in the kitchen appliances industry. We believe that our business growth is attributable to rich promoter experience fostered by an entrepreneurial spirit. Thus we are well placed to capitalize the knowledge and experience of our promoters and management team which has been instrumental in growth of our Company. Our management team has substantial experience in the sectors which we serve, which enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively respond to changes in the market conditions. Moreover the independent directors on our Board of our company Mrs. Japna Choudhary is a Company Secretary with 12 years of experience, Mr. Smith Kumar Mogra is a Chartered Accountant with 7 years of experience and Mrs. Dhara Bhavesh Jain is a Dentist with 12 years of experience. Their advisory services and inputs are a value addition to our performance, compliance and overall operations.

Our mid-level management is supported by our trained personnel and skilled workers who benefit from our regular in-house training initiatives. We therefore believe that our qualified management and employee base have enabled us to extend our operating capabilities, improved the quality of our products and facilitated our growth in the industry.

## **OUR BUSINESS STRATEGIES**

### ***Increase our geographical reach and expansion of addressable market***

We continually seek to enhance our addressable market through our network of C&F agents, distributors and dealers across the country. As on December 31, 2022 we have generated around 85.61% of our revenue from sales in top 10 geographical regions. We gradually intend to expand our business operations to other regions of the country, especially the North-East. We plan to continue our strategy of diversifying and expanding our presence in these regions for the growth of our business. Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas. Appointment of C&F agents to undertake our stocking and distribution, enables us to reach our customers faster by reducing transportation time, optimise inventory, and limit trade over-dues. We further intend to extend our network of C&F agents, distributors and dealers.

### ***Capitalize on increasing indigenization, commercialization and policy initiatives in the industry.***

The Government has implemented several schemes relating to the kitchen appliances industry. All these schemes shall boost the kitchen appliances production in India, thereby increasing the demand for our products.

In the Union budget for FY 21-22, provision for an additional one crore LPG connection under the PMUY scheme was announced. This one crore additional PMUY connections (under Ujjwala 2.0) aim to provide deposit-free LPG connections to those low-income families who could not be covered under the earlier phase of PMUY. This initiative has helped kitchen appliances manufacturers to partner with the oil and gas companies like HPCL, BPCL, as a co-branding strategy with new gas connections, in order to increase sales (*Source: CareEdge Report*). Our company has already entered into marketing agreement with oil companies like: Hindustan Petroleum Corporation Limited, Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited. These initiatives will provide us with an opportunity to increase our market share. We look forward to leverage this vast network of rural households.

The government's project 'Make in India' is expected to lead the growth and investment opportunities within kitchen appliances industry. (*Source: CARE Report*). Also the recently introduced 'Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya)' scheme, which promises electricity to every Indian household by 2018, is likely to shed more light on profitability of consumer appliances makers over the next few years. (*Source: CARE Report*). We believe that our Company is well-poised to capitalize on these opportunities, creating value for all of the stakeholders involved, in the process. We believe a significant demand for our products is generated in India owing to our government's objective to enhance domestic sourcing as well as self-reliance.

#### ***Scale up branding, promotional and digital activities***

Our wide spread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the kitchen appliances industry. We seek to continue to enhance brand awareness and customer loyalty through our promotional and marketing efforts substantially increasing our digital presence and engagements.

We make our products available to our customers through omni-channel distribution networks across both online and offline touch points. With more than 800 million internet users in December 2022 as per Ministry of Electronics and Information Technology (MeITY) (*Source: CareEdge Report*), there is access to information. The digital platform and social media has enabled us to reach and engage with a wider audience and also customise product offering to our prospective customers. We believe that our consumer-focused products and product information increase customer confidence in our products and influences our customers' buying decisions. We intend to continue our offline marketing initiatives including in-shop displays, banners & hoardings like: advertisements on flex boards, mdf display boards, backlit boards, glow sign boards, ACP boards, flange glowing boards etc, social media marketing, arch installations, road show marketing, advertisements in theatres, newspapers, TV channels, bus shelter branding, tricycle campaign etc to focus on brand building initiatives of the company.

Our revenue from sale of Online and Offline mode for the nine months period ended on December 31, 2022 and for FY 21-22, FY 20-21 and FY 19-20 is as under:

<b>Online &amp; Offline Sales</b>				
<b>Sales Channels</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Online Sales</b>	4,818.23	5,436.39	2,118.74	294.70
<b>Offline sales</b>	20,664.55	27,776.62	21,766.12	23,454.94
<b>Total</b>	<b>25,482.78</b>	<b>33,213.01</b>	<b>23,884.86</b>	<b>23,749.64</b>

#### ***Continue to strengthen our existing product portfolio and diversify into products with attractive growth and profitability prospects***

Our product portfolio under the brand Greenchef consists of Gas Stoves, Mixer Grinder, Wet Grinder, Pressure Cookers, Induction cooktops, Non-stick Cookwares, with number of SKUs for each product item, thereby aiding different functions and utilities in the kitchen and home. We have consistently focused on expanding and optimising our product range to offer utility, a range of features and value for money. We seek to develop new products to cater to the evolving requirements of a large customer base and cover newer customer segments. The customer base in India is witnessing rising income levels and improvement in overall employment.

With 1.3 billion people, India is the second most populous country in the world, but with an average age of 29, it has one of the youngest populations globally. As this vast resource of young citizens enter the workforce, it could create a 'demographic dividend'. India is home to a fifth of the world's youth demographic and this population advantage could play a critical role in growth of Kitchen Appliances industry. (*Source: CareEdge Report*). Apart from changing lifestyles and working styles urbanization has led to growth in the organized retail sector; this in turn has led to change in consumer buying behaviour. Rising urbanization in India leads to increase in overall retail spending in India which would directly benefit the kitchen appliances and cookware market as the highest share of people's expenditure is on food. (*Source: CareEdge Report*)

During the nine month periods ended December 31, 2022 and for Fiscals 2022, 2021 and 2020, traded products contribute to approximately 18%, 20%, 48% and 28% of our revenue from operations respectively. We propose to expand our presence in existing product categories by increasing the emphasis on manufacturing a greater proportion of our products, and reducing our reliance on traded products.

### ***Invest in new manufacturing facility and increase backward integration in the plant***

Our manufacturing facilities are equipped to manufacture a wide and diverse range of products, as well as several components used in our products. Currently we operate from three manufacturing facilities at Bengaluru and intend to centralize the same with our initiative to invest in a new manufacturing facility located at Plot No. 503, 504 & 505, SY No. 96, Vasanthanarasapura 2nd Phase Industrial Area, Yalladadllu Village, Kora Hobli, Tumakuru Taluk, Tumakuru District. We have purchased the said land from KIDAB and are planning to set up an integrated factory for manufacturing our kitchen appliances. This concentration of our manufacturing activities under a single shed would enable us to achieve greater efficiency in reducing time taken for and the cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes, resulting in higher profit margins.

In line with our focus to provide diversified products solutions and to develop better control on our supply chain and improve our margins, we intend to further focus on backward integration at our manufacturing facilities. We focus to add machineries to produce quality tools and dies which in turn supports quality components and sub-assemblies. This will help us to improve our cost efficiency, reduce dependency on third party suppliers and provide better control on production time and quality of components used in the manufacturing of products.

In order to capitalize on the future demand and expand our growth we intend to expand backward integration of our existing manufacturing facility by setting up (i) Conveyorized Powder Coating Plant that will facilitate inhouse powder coating for Gas Stoves and Electric Rice Cookers (ii) Plastic Injection Molding Machines that will facilitate in house manufacturing of plastic parts required in various kitchen appliances (iii) Hard Anodizing Plant that will facilitate hard anodizing process of Pressure Cooker and Non-Stick Cookware (iv) Multi Kettle Mould & Welding Machine for in house manufacturing of various parts of a kettle (v) Forging press Machine that will facilitate in house manufacturing of gas valve in the Gas Stoves and (vi) Polishing Machines to facilitate automatic buffing in our manufacturing process.

We plan to purchase these machineries from the Net Proceeds of the issue. For details, also see ***“Objects of the Issue”*** on page 77. These investments in new machineries will lead to reduction in cost and increase in production efficiency. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers

### ***Continue to strive for cost efficiency***

We aim to continue to maintain our focus on cost management, including in-house integrated manufacturing capabilities across our business to deliver growth as well as to achieve economies of scale. We will continue to seek to manage our supply chain costs through optimal inventory levels, backward integration, economic orders and other measures. Economies of scale will also enable us to continuously improve our operational efficiencies.

## **OUR PRODUCTS PORTFOLIO**

### **A) GAS STOVES**



We manufacture two variety of Gas Stoves (i) Glass top gas stoves and (ii) Stainless steel gas stoves in a combination of single, two, three or four burners of different sizes ranging from small, medium to jumbo size burners. Our gas stoves are empanelled with brass burners for even blue flame distribution and pan support for better balance, unbreakable ABS knob and strong tubular rubber legs for firm grip. The Glass top gas stoves are made with toughened glass to sustain high temperature and the stainless steel gas stoves are made with sturdy stainless steel body. Our gas stoves are ISI certified and usually offer a warranty of 2 years. As of December 31, 2022 we are maintaining more than 100 SKUs for Gas Stoves.

### **B) PRESSURE COOKER**



We offer a wide array of products under the sub-category of Pressure Cookers including (i) Stainless Steel, (ii) Aluminum or (iii) Hard Anodized Pressure Cookers available in various sizes ranging from 1.5 litres to 12 litres cookers. The cookers come in various designs like handi cookers, kadhai shaped cookers, Evok inner lid cookers, some offered with Glass lid, induction compatible, sandwich bottom. Our range of pressure cookers are ISI certified and usually offer a warranty of 5 years. As of December 31, 2022 we are maintaining more than 70 SKUs for Pressure Cookers.

#### C) MIXER GRINDER



Our range of mixer grinders provides solutions for mixes, kneads, mashes and blends with features like: speed control with incher, automatic overload CB Switch, Stainless steel Jars & polished blade. Our range of mixer grinders are ISI certified and usually offer a warranty of 2 years on product and 5 years on motor. As of December 31, 2022 we are maintaining more than 25 SKUs for Mixer Grinders.

#### D) WET GRINDER



Wet Grinders are fast and fine scrapper that kneads smooth dough. Our range of wet grinders include features like: powerful motor of upto 150W, detachable stainless steel drum for easy operation, poly-carbonate lid etc. These are offered with a warranty of 5 years on motor. As of December 31, 2022 we are maintaining more than 5 SKUs for Wet Grinder.

#### E) ELECTRIC RICE COOKER



Electric Rice Cookers are available in various capacities ranging from 0.3 litres to 2.8 litres with a warranty of 5 years. As of December 31, 2022 we are maintaining more than 5 SKUs for Electric Rice Cooker.

#### F) INDUCTION COOKTOP



Induction or Infrared Cooktops are made of black crystal top plates and are used for grilling & barbeque, quick heating, frying & boiling etc. Our range of induction cook top include features like: feather touch, sensor touch controls, digital display, 8 pre set menus, child lock, preset start timer, power load of upto 2000W. As of December 31, 2022 we are maintaining more than 20 SKUs for Induction Cooktop.

#### **G) NON-STICK COOKWARES**



We offer a wide array of products under the sub-category of Non-Stick Cookwares including (i) Flat Tawa, (ii) Kadai, (iii) Fry pan, (iv) Concave Tawa, (v) Paniyarakkal, (v) Biryani Pot. The cookwares come in various designs like flat shaped, concave shaped, with or without lids, induction compatible etc. Our range of Non-stick cookwares are ISI certified and usually offer a warranty of 1 year. As of December 31, 2022 we are maintaining more than 80 SKUs for Non-stick Cookwares.

#### **H) KETTLE**



We offer multipurpose stainless steel kettle with 360° rotational base and variable temperature control. The kettles are designed with cool touch handle and wide mouth which is easy to clean. The kettles are available in two capacities of 1.2 litres and 1.5 litres with a warranty of 1 year. As of December 31, 2022 we are maintaining more than 5 SKUs for Kettle.

#### **I) HOSE PIPE, GAS CYLINDER TROLLEY, SPIN MOP**



We also manufacture products like: hose pipes used in Gas Stoves, Gas Cylinder Trolley and Spin Mop. LPG (Liquified Petroleum Gas) Hose Pipe is a flexible hose used to transport LPG gas from a gas cylinder to a stove or other appliance. It is commonly used in households in India for cooking. The hose is made of high-quality, heat-resistant rubber and is equipped with a regulator to control the flow of gas. It is also equipped with safety features such as overpressure protection and flame arrestors. The hose is designed to be highly durable and able to withstand exposure to high temperatures and pressure.

A Stainless Steel Gas Cylinder Trolley is a wheeled cart used to transport gas cylinders safely and easily. The trolley is made of stainless steel, which provides durability and resistance to corrosion. It has wheels for smooth movement. The cylinders are securely fastened to the trolley to prevent them from tipping over or rolling away. The trolley also has a compact design, allowing it to be stored in a small space when not in use. Its use ensures the safe and convenient transportation of LPG cylinders for domestic purposes.

We offer mops which spin in 360° to dry and wipe the floorings. The mop is made of micro fibre head for ensuring extra absorbent characteristics. Usually available in 2 colours, blue and green and offer with 6 months warranty.

We also trade in other appliances including (i) Chimney, (ii) HOB Gas Stoves, (iii) Iron (i) Stainless steel utensils, (i) Blenders, (ii) Vegetable Chopper, (Iii) Water Bottles, (Viii) Silicon Gasket etc

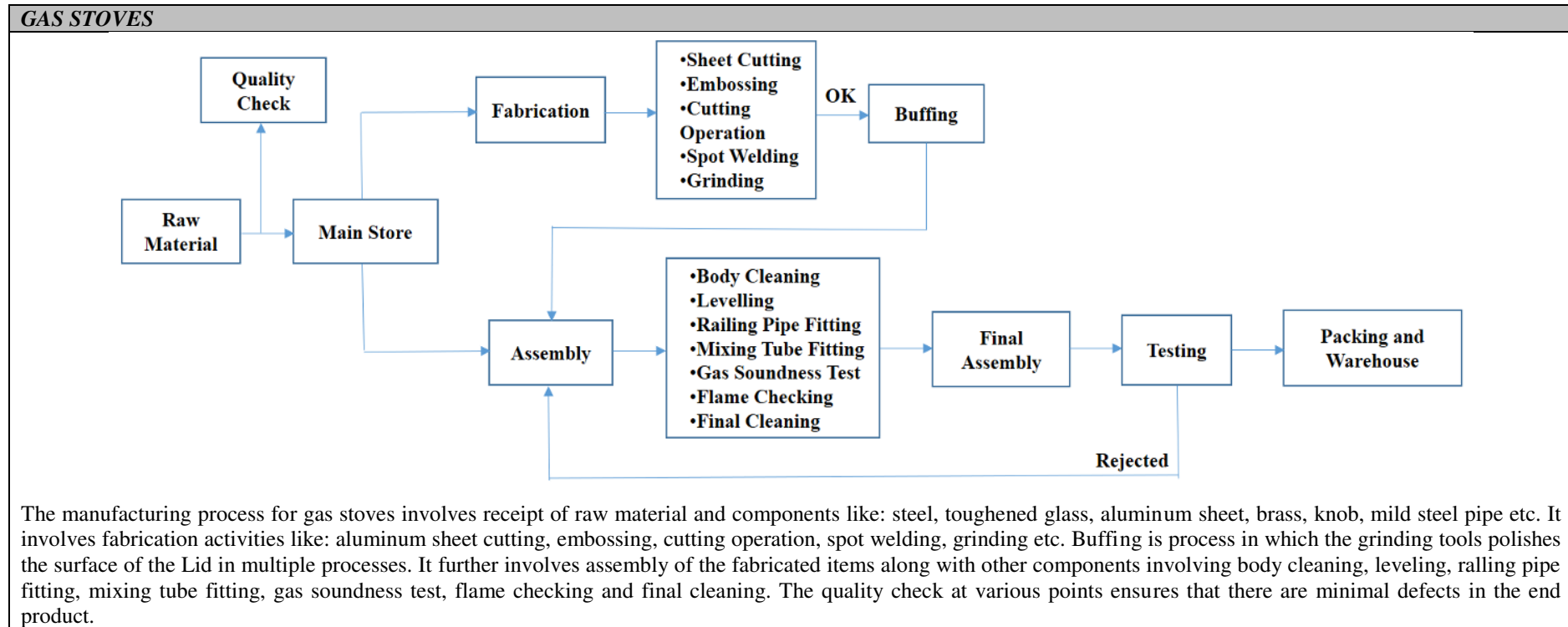
**PRODUCTWISE REVENUE BIFURCATION**

Sr. No.	Product Category	December 31, 2022			Fiscal 2022			Fiscal 2021			Fiscal 2020		
		Units	Amt	% of Revenue	Units	Amt	% of Revenue	Units	Amt	% of Revenue	Units	Amt	% of Revenue
1	Gas Stoves	8,34,453	9,357.12	36.72%	14,17,730	13,979.04	41.63%	8,15,054	8,736.58	36.56%	1216659	9892.94	41.65%
2	Pressure Cooker	5,16,971	4,660.27	18.29%	6,01,359	4,721.27	14.06%	4,68,985	2,890.05	12.09%	463327	2655.81	11.18%
3	Mixer Grinder	1,97,904	2,638.35	10.35%	2,94,411	3,658.33	10.89%	2,29,503	2,550.81	10.67%	192101	2299.87	9.68%
4	Wet Grinder	16,430	413.12	1.62%	24,196	545.22	1.62%	22,876	497.48	2.08%	25445	515.11	2.17%
5	Electric Rice Cooker	12,989	161.66	0.63%	25,291	316.94	0.94%	22,843	245.53	1.03%	36921	369.63	1.56%
6	Induction Cooktop	1,27,536	1,471.29	5.77%	1,57,727	1,656.78	4.93%	1,01,490	945.99	3.96%	87230	800.61	3.37%
7	Non-stick Cookwares	3,46,643	1,452.70	5.70%	4,16,881	1,509.87	4.50%	2,93,973	1,028.24	4.30%	302293	1120.02	4.71%
8	Kettle	2,00,557	858.76	3.37%	1,83,711	807.59	2.41%	1,21,887	547.58	2.29%	42302	185.49	0.78%
9	Others	-	4,469.50	17.54%	-	6,383.43	19.01%	-	6,456.84	27.02%	-	5,915.04	24.90%
	<b>Total</b>		<b>25,482.78</b>	<b>100.00%</b>		<b>33,578.47</b>	<b>100.00%</b>		<b>23,899.10</b>	<b>100.00%</b>		<b>23,754.52</b>	<b>100.00%</b>

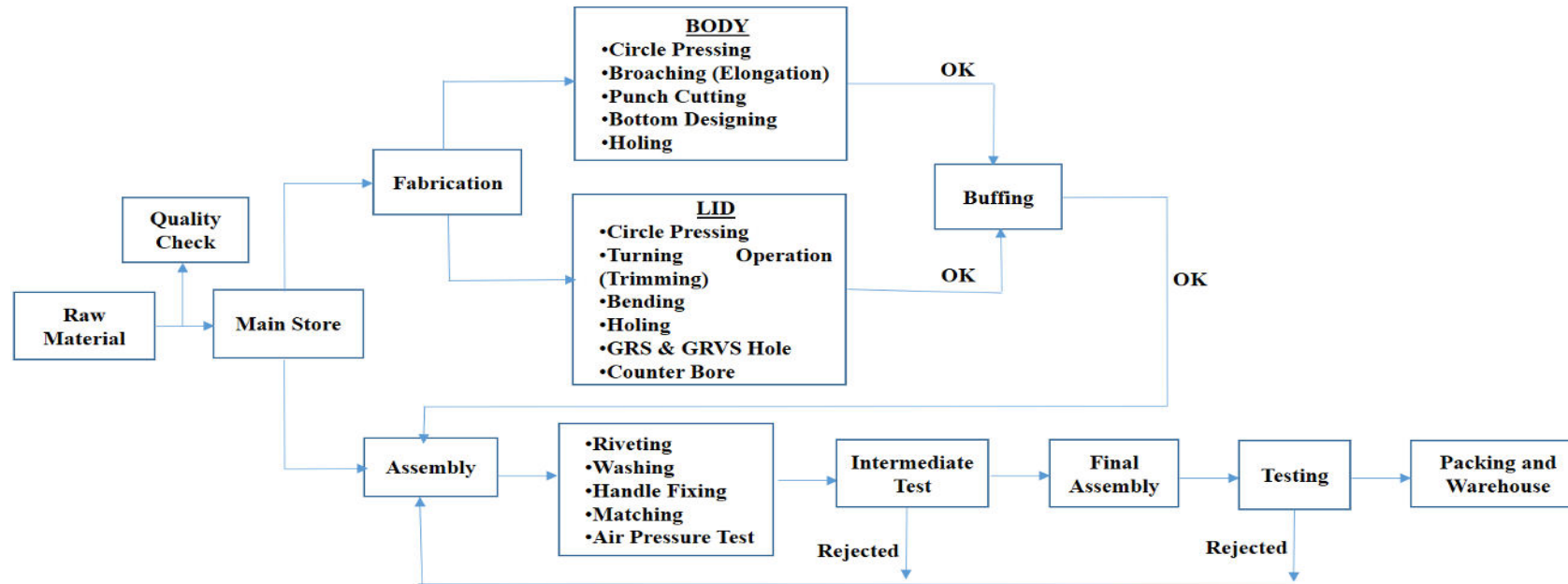
*\*Other Products includes Chimney, Fans, Geysers, Iron, Room Heaters, Stainless Steel Utensils, Vegetable Chopper, Water Bottles, Spares and Scrap etc.*



## MANUFACTURING PROCESSES

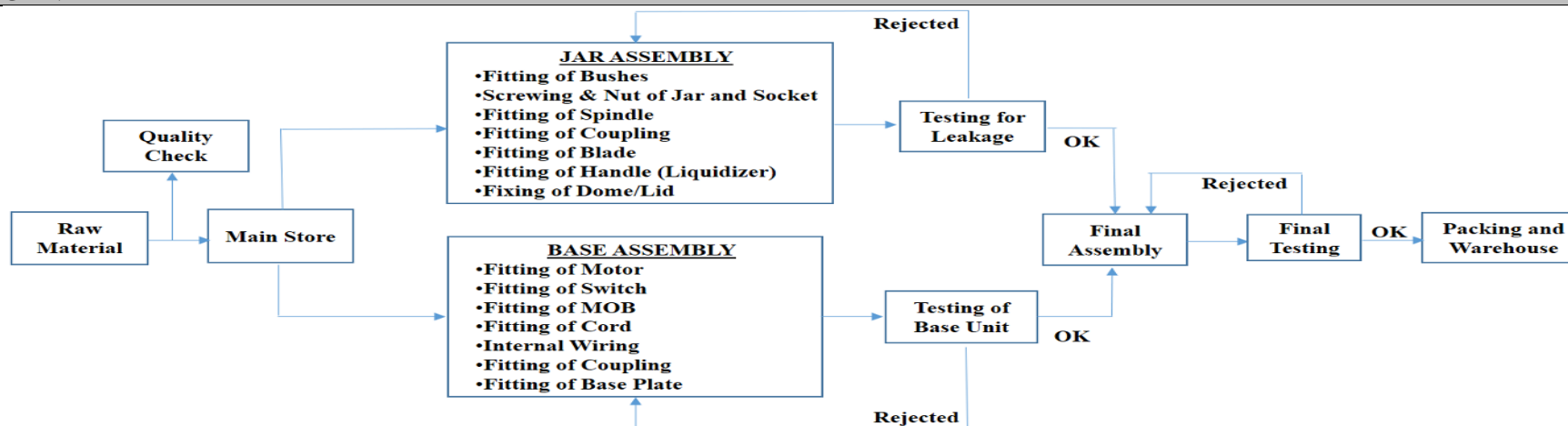


## PRESSURE COOKER



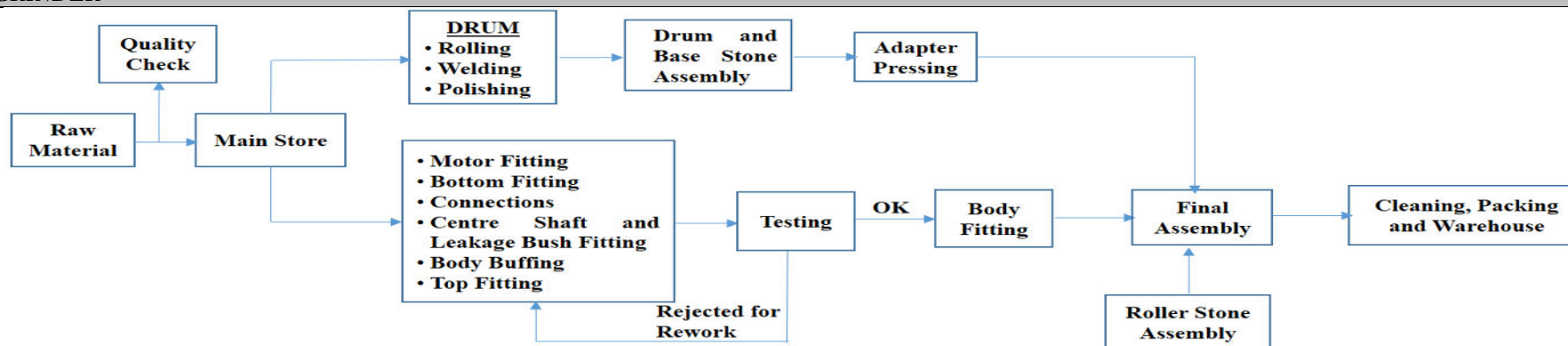
The manufacturing process for pressure cooker involves receipt of raw material and components like: aluminium, rubber (outsources), steel, plastic handle (outsourced). It involves two fabrication activities- fabrication of body and fabrication of lid. Fabrication of body involves activities like: circle pressing, broaching, punch cutting, bottom designing, holing, and fabrication of lid involves activities like circle pressing, trimming, bending, holing, GRS hole and counter bore. Buffing is process in which the grinding tools polishes the surface of the Lid in multiple processes. It further involves assembly of the fabricated items along with other components involving riveting, washing, handle fixing, matching and air pressure test. The quality check at various points ensures that there are minimal defects in the end product.

### MIXER GRINDER



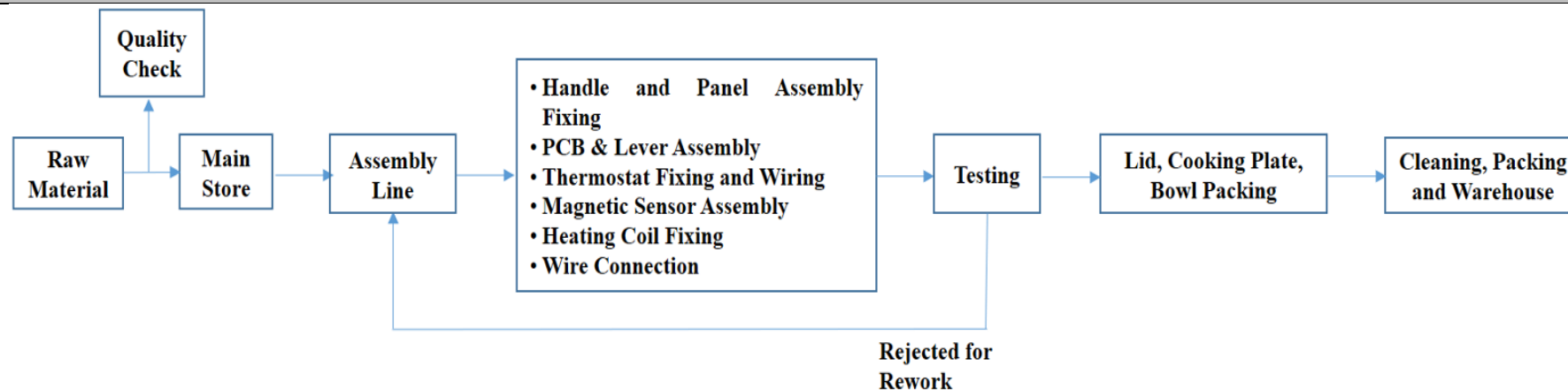
The manufacturing process for mixer grinder involves receipt of raw material and components like: ABS plastic, PP plastic, stainless steel, copper wire, aluminium wire, aluminum sheets. It involves assembly of jar and base. Assembly of jar involves activities like: fitting of bushes, screwing & nut of jar and socket, fitting of spindle, coupling, blade, handle, dome/lid and assembly of base involves activities like fitting of motor, switch, cord, wiring, coupling and base plate. The quality check at various points ensures that there are minimal defects in the end product. We started manufacturing Mixer Grinders in FY 21-22 prior to which it was manufactured by our promoter group entity M/s Siddhartha Enterprises.

### WET GRINDER



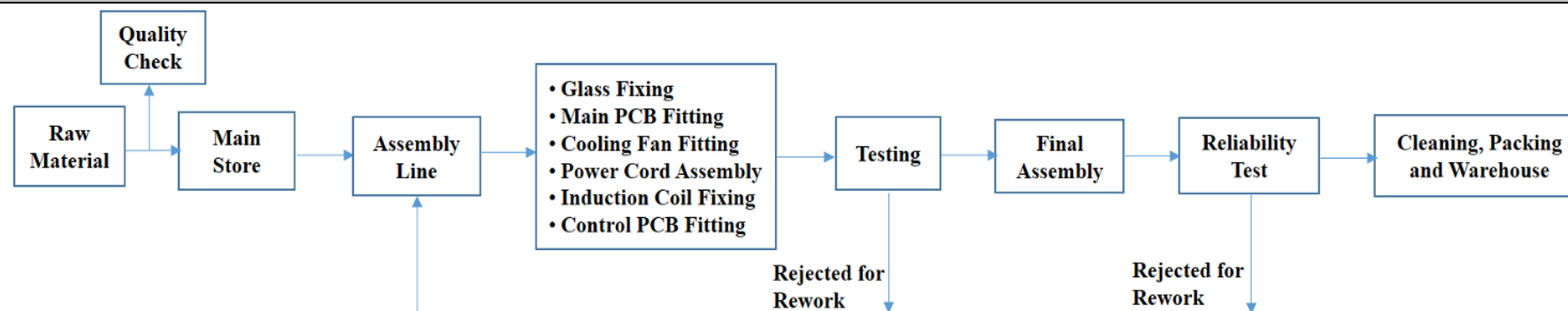
The manufacturing process for wet grinder involves receipt of raw material and component like stones. It involves rolling, welding, polishing of drum and fabrication activities like: motor fitting, bottom fitting, connections, centre shaft and leakage bush fitting, body buffing and top fitting. It further involves assembly of drum and base stone along with the fabricated. The quality check at various points ensures that there are minimal defects in the end product. We started manufacturing Wet Grinders in FY 21-22 prior to which it was manufactured by our promoter group entity M/s Siddhartha Enterprises.

### ***ELECTRIC RICE COOKER***



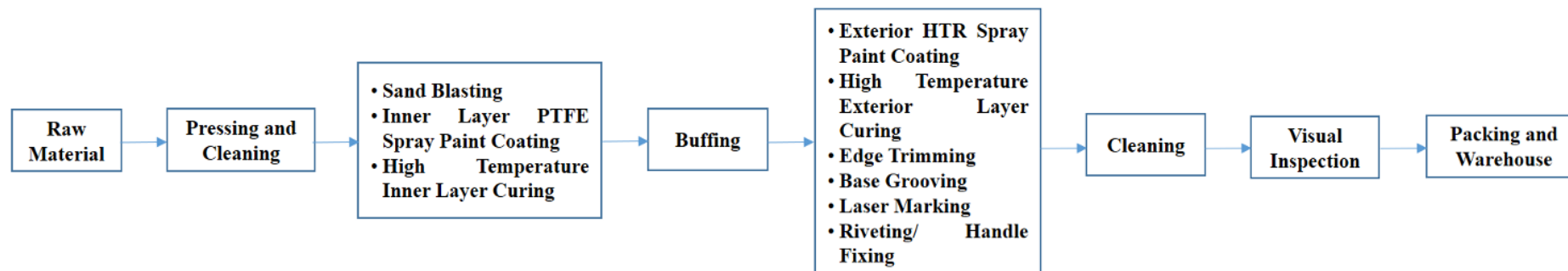
The manufacturing process for electric rice cooker involves receipt of raw material and components like: steel, aluminum, MS, heating coil (imported from China), ABS. It involves assembly of the components which includes activities like handle and panel assembly, PCB lever assembly, thermostat fixing and wiring, magnetic sensor assembly, heating coil fixing and wire connection. It further involves activities like lid, cooking plate, bowl packing and cleaning. The quality check at various points ensures that there are minimal defects in the end product.

### ***INDUCTION COOKTOP***



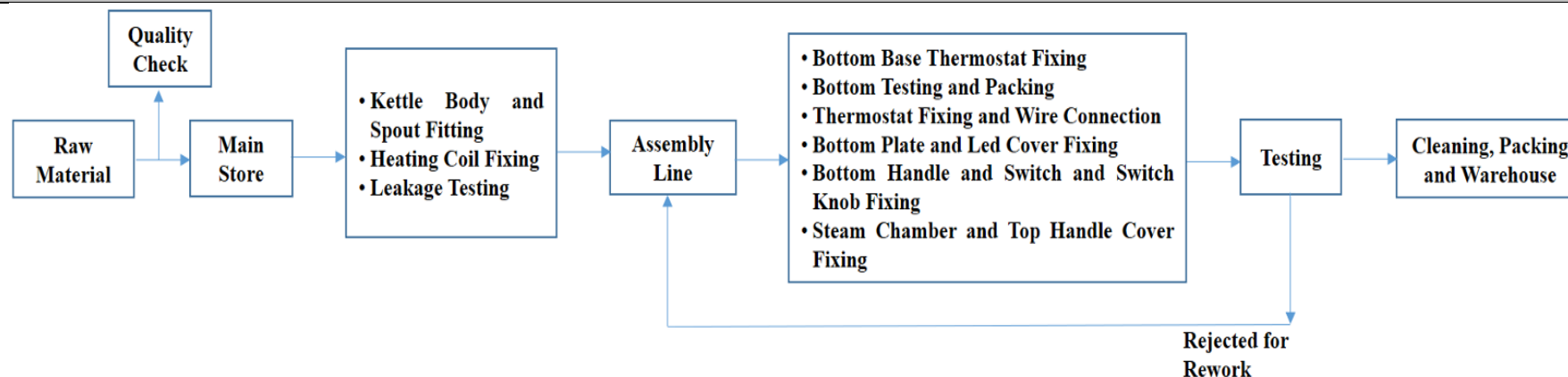
The manufacturing process for induction cooktop involves receipt of raw material and components like: ABS, PP plastic, PCB, ceramic glass (imported from China), motorised fan (imported from China), aluminum coil. It involves assembly of the components which includes activities like glass fixing, main PCB fitting, cooling fan fitting, power cord assembly, induction coil fixing and control PCB fitting. The quality check at various points ensures that there are minimal defects in the end product. We started manufacturing Induction Cooktop in FY 21-22 prior to which it was manufactured by our promoter group entity M/s Siddhartha Enterprises.

## NON-STICK COOKWARES



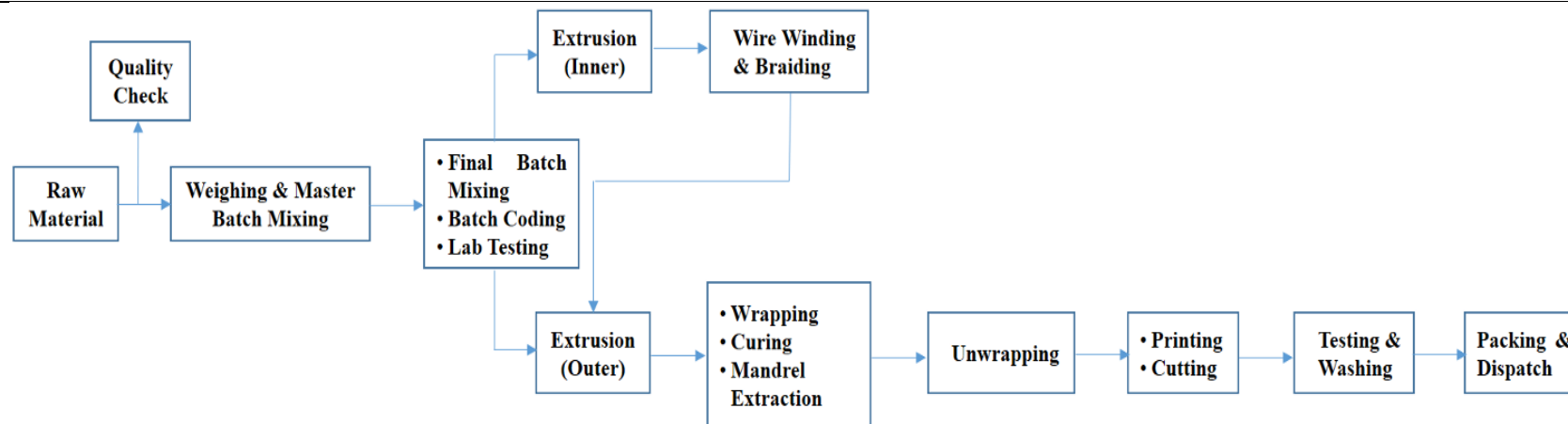
The manufacturing process for Non-Stick cookware involves receipt of raw material and components like: aluminum & plastic handle, grevlon coating. It involves activities like pressing and cleaning of components along with other activities like sand blasting, inner layer PTFE spray paint coating, high temperature inner layer curing and buffing which is a process of grinding tools polishing the surface of the lid in multiple processes. It further involves activities such as exterior HTR spray paint coating, high temperature exterior layer curing, edge trimming, base grooving, laser marking, riveting/ handle fixing and cleaning. The quality check at various points ensures that there are minimal defects in the end product. We started manufacturing Non-stick cookwares in FY 21-22 prior to which it was manufactured by our promoter group entity M/s Siddhartha Enterprises.

## KETTLE



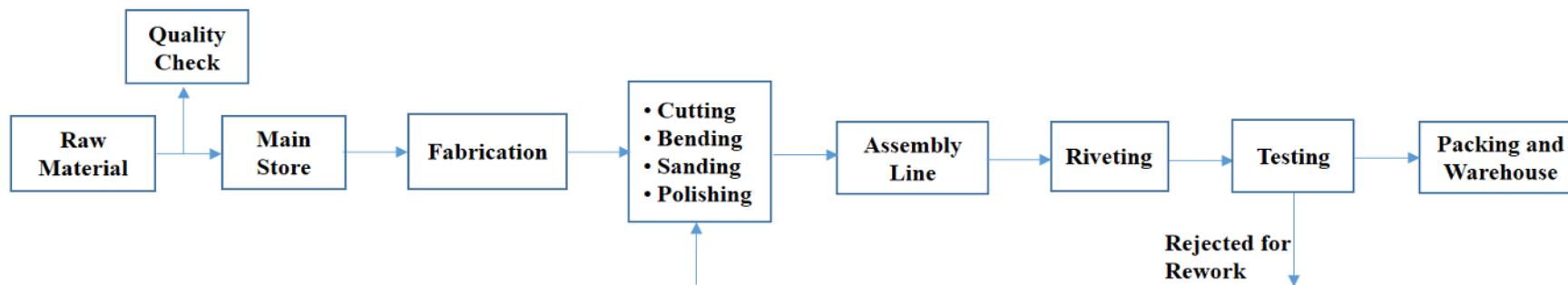
The manufacturing process for electric kettle involves receipt of raw material and components like: steel, ABS plastic, heating coil (imported from China). It involves activities like kettle body and spout fitting, heating coil fixing, leakage testing. It further involves assembly of the components which includes activities like bottom base thermostat fixing, bottom testing and packing, thermostat fixing and wire connection, bottom plate and led cover fixing, bottom handle and switch and switch knob fixing, steam chamber and top handle cover fixing. The quality check at various points ensures that there are minimal defects in the end product.

## HOSE PIPE



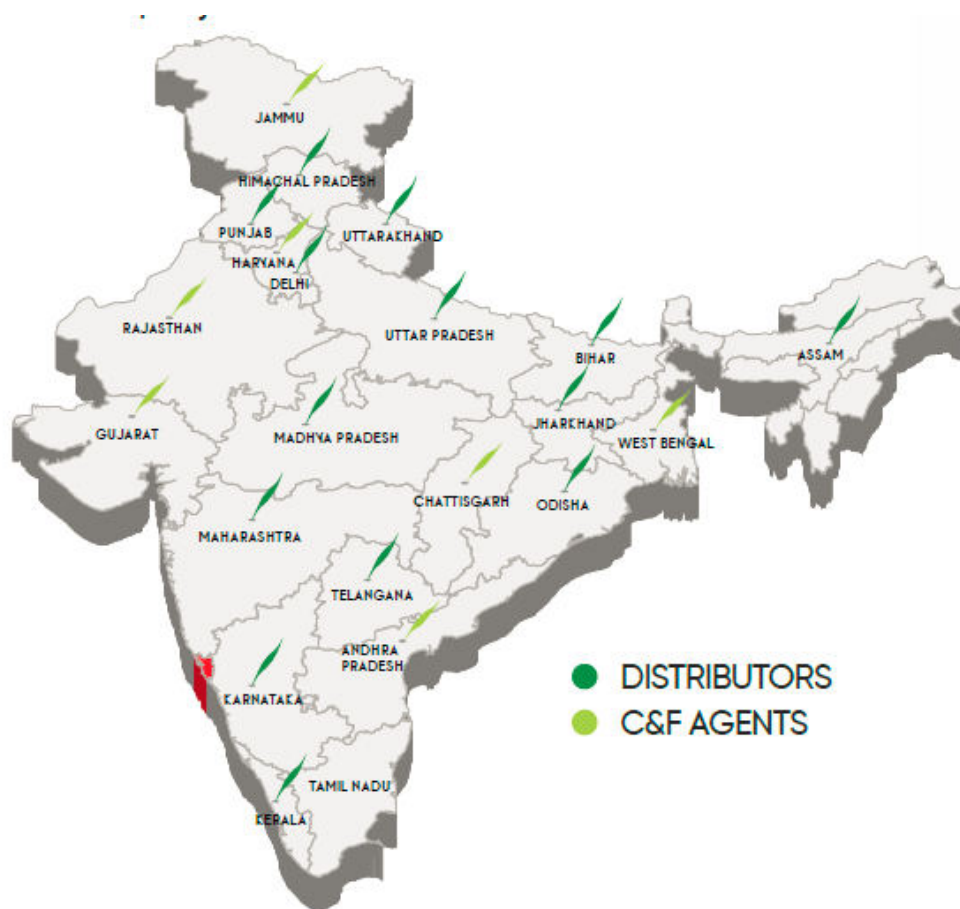
The manufacturing process for hose pipe involves receipt of raw material and components like: rubber & steel wire. It involves activities like weighing & master batch mixing, final batch mixing, batch coding and lab testing of the components. It further involves extrusion of the components which includes activities like wire winding & braiding, wrapping, curing, mandrel extraction along with unwrapping, printing and cutting. The quality check at various points ensures that there are minimal defects in the end product.

#### **TROLLEY**



The manufacturing process for trolley involves receipt of raw material and components like: stainless steel sheet, fastners, wheels etc. It involves fabrication activities like: stainless sheet cutting, bending, sanding and polishing to remove rough edges or marks left. It further involves assembly of the fabricated items along with other components including riveting of wheels. The quality check at various points ensures that there are minimal defects in the end product.

## OUR GEOGRAPHICAL PRESENCE



Sr No	State Name	As of December 31, 2022	
		Distributors	C & F Agents
1	Uttar Pradesh	114	1
2	Tamil Nadu	61	
3	Bihar	43	1
4	Maharashtra	30	1
5	Kerala	25	
6	Andhra Pradesh	23	
7	Himachal Pradesh	21	
8	Karnataka	21	
9	Rajasthan	21	1
10	Odisha	19	
11	West Bengal	16	
12	Haryana	15	
13	Gujarat	13	1
14	Uttarakhand	8	
15	Madhya Pradesh	6	
16	Telangana	5	
17	Assam	3	
18	Jammu	3	
19	Jharkhand	3	
20	Punjab	3	
21	Chhattisgarh	1	
22	Delhi	1	
	<b>Total</b>	<b>455</b>	<b>5</b>

**Our revenue from top ten states is as under:**

(Amt in lakhs)

State	31.12.22	% of total sales	21-22	% of total sales	20-21	% of total sales	19-20	% of total sales
Tamil Nadu	3,293.35	12.92%	3,463.10	10.31%	2,513.60	10.52%	2,948.72	12.41%
Karnataka	3,246.09	12.74%	5,301.15	15.79%	5,163.56	21.61%	5,362.97	22.58%
Telangana	2,981.72	11.70%	2,863.78	8.53%	1,691.41	7.08%	1,581.12	6.66%
Kerala	2,742.78	10.76%	3,131.10	9.32%	3,066.67	12.83%	3,562.29	15.00%
Maharashtra	2,516.19	9.87%	3,220.10	9.59%	2,193.11	9.18%	2,143.69	9.02%
Uttar Pradesh	2,018.51	7.92%	3,458.53	10.30%	2,303.54	9.64%	2,291.93	9.65%
Gujarat	1,632.03	6.40%	2,007.38	5.98%	1,356.67	5.68%	1,703.85	7.17%
Andhra Pradesh	1,390.96	5.46%	1,645.90	4.90%	1,368.54	5.73%	1,204.69	5.07%
West Bengal	1,091.62	4.28%	895.23	2.67%	192.53	0.81%	113.99	0.48%
Rajasthan	902.79	3.54%	1,030.27	3.07%	668.04	2.80%	1,034.93	4.36%
<b>Total</b>	<b>21,816.05</b>	<b>85.61%</b>	<b>27,016.54</b>	<b>80.46%</b>	<b>20,325.14</b>	<b>85.05%</b>	<b>21,834.18</b>	<b>91.92%</b>
<b>Total Revenue from Operations</b>	<b>25482.78</b>		<b>33578.47</b>		<b>23899.10</b>		<b>23754.52</b>	

**PLANT & MACHINERY**

**The major plant & machinery installed at our manufacturing activities includes:**

Hydraulic Power Press Machines, Fabrication Machines, Die Casting Machine with Electrical Panel, Double Station Auto System Rubber Moulding Hydraulic Press, Rubber Moulding Press, Powder Coating Machines, Die & Mould Sets, Automatic Grooving Machine, Coil Insert Machine, Fan-Rotor Turning Machine, Silicon Dispenser Machine, Motor Aging Conveyor, Over Head Chain Conveyor, Induction Aging Conveyor with Jigs, Automatic 3 Station Machine, Automatic Cutting Trimming & Curling Machine, Cargo Spinning Rolling Machine, Hydraulic Rolling Machine, Buffing Motor, Induction Annealing Machine, Jar Spinning Machine, Panel Board – Buffing Department & Jar Unit, Strapping Machine, Box Compression Tester –Digital, lab equipment, Armature Winding Machine, Capacitor Discharge Stud Welder Machine, Carton Sealing Machine, Trickle Varnish Impregnating Machine, Pad Printing Machine, Chain Conveyor & System, Super Blasting Machine, Oven & Cooling Chamber, Laser Marking Machine, Distribution Panel, Laser Marking Machine, Drilling Machine, Embossing Die, Electric Stacker, Selective Pallet Racking - Donracks, CNC LATHE.



## CAPACITY UTILIZATION

Sr No	Product Category	For the period ended December 31, 2022			FY 21-22			FY 20-21*			FY 19-20*		
		Installed Capacity	Actual production for the nine months	Capacity Utilization (annualized %)	Installed Capacity	Actual production	Capacity Utilization	Installed Capacity	Actual production	Capacity Utilization	Installed Capacity	Actual production	Capacity Utilization
1	Gas Stoves	18,00,000	8,48,005	63%	18,00,000	13,91,031	77%	18,00,000	8,20,636	46%	16,20,000	10,61,375	66%
2	Pressure Cooker	12,00,000	7,86,481	88%	12,00,000	8,42,902	70%	7,20,000	3,82,200	53%	7,20,000	4,86,911	68%
3	Mixer Grinder	3,60,000	1,99,509	74%	3,60,000	2,92,930	81%	-	-	-	-	-	-
4	Wet Grinder	48,000	16,457	46%	48,000	26,280	55%	-	-	-	-	-	-
5	Electric Rice Cooker	1,20,000	15,886***	18%	-	-	-	-	-	-	-	-	-
6	Induction Cooktop	3,00,000	1,26,122	56%	3,00,000	1,50,175	50%	-	-	-	-	-	-
7	Non-stick Cookwares	9,60,000	4,38,630	61%	9,60,000	6,29,807	66%	-	-	-	-	-	-
8	Kettle	3,60,000	1,57,510	58%	3,60,000	16,828**	5%	-	-	-	-	-	-

\* For FY 2019 20 and FY 20-21 Mixer Grinder, Wet Grinder, Non-stick Cookwares and Induction Cooktops were manufactured by our promoter group M/s Siddhartha Enterprises, however from FY 21-22 our company started manufacturing these products pursuant to purchase of plant & machinery from M/s Siddhartha Enterprises.

\*\*Production of Kettle started in March 2022

\*\*\* Production of Electric Rice Cooker started in September 2022.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary. For details, please refer to Chapter titled “**Risk factors**” page 25 of this Red Herring Prospectus.

## **COLLABORATIONS/TIE UPS/ JOINT VENTURES:-**

Except as disclosed in this Red Herring Prospectus and in the normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

## **EXPORT OBLIGATION:**

Our Company does not have any export obligation, as on date of this Red Herring Prospectus.

## **SALES & MARKETING**

We have a sales and marketing team focusing on customer development and maintaining customer relationship. This team is also responsible for the marketing of our products, negotiating prices, procuring repeat orders and ensuring timely dispatch and deliveries. Our sales team has built long-term relationships with a number of our customers.

As of December 31, 2022, our manufacturing facilities are well connected with five strategically located C&F agents in the state of Rajasthan Maharashtra, Uttar Pradesh, Gujarat and Bihar. Additionally as on December 31, 2022 we have around 450 distributors in 22 states and 3 union territories of India. The C&F agents and distributors are, in turn, connected with a dealer network for sale of our products through their respective retail outlets, which are driven through a sales and marketing force of 164 personnel. Further we are approved vendors of various retail chains such as DMART, Reliance Retail Limited, StarBazaar for the sale of our products from several of their retail outlets in India. Further, we our products are sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Bigbasket and Amazon Seller Services Private Limited.

For e-commerce platforms, our distribution is presently serviced from our warehouse located at our Bengaluru Facility. We rely on third party logistic service providers for the transport of our products from our warehouse to the C&F agents and distributors.

We undertake various advertising and marketing activities for the creative awareness of our brands and products. We ensure that our product packaging design includes images and written content on the product features, specifications, highlights, etc. Our marketing initiatives comprise of in-shop displays, banners & hoardings like: advertisements on flex boards, mdf display boards, backlit boards, glow sign boards, ACP boards, flange glowing boards etc, social media marketing, arch installations, road show marketing, advertisements in theatres, newspapers, TV channels, bus shelter branding, tricycle campaign etc.

## **SERVICING**

We provide a warranty period for our products (typically ranging from 1 year to 5 years depending on the type of the product.). Any manufacturing defects in our products during the warranty period are required to be repaired or replaced by us at our expense.

Our Company has a dedicated service team to address service calls. As of December 31, 2022 our service team comprised of 130 service technicians across 13 states. Further we have also appointed 107 authorized service providers across 15 states. Our CRM software enables us to track customer requests and after sales support to ensure customer satisfaction. Basis the customer's request, the call is assigned to either our service technician or the service franchisee, as the case may be. We have different models of servicing in different states, and as of December 31, 2022, our service model is as follows:

State Name	Service Technician	Authorized Service Providers
Andhra Pradesh	10	1
Bihar	3	9
Chhattisgarh	1	3
Gujarat	6	5
Haryana	1	1
Karnataka	23	5
Kerala	27	-
Madhya Pradesh	-	2
Maharashtra	10	18
Odisha	1	4
Punjab	-	1
Rajasthan	5	13
Tamil Nadu	17	3
Telangana	16	2

Uttar Pradesh	10	37
Uttarakhand	-	3
<b>Grand Total</b>	<b>130</b>	<b>107</b>

## COMPETITION

The Indian kitchen appliances market is highly competitive. The key areas of competition in this industry are product range, quality and features, design, price, delivery, general customer experience, time to market, availability of after-sale services. The competitors include various domestic and multinational companies in India. Amongst listed players, the major competitors include TTK Prestige Limited, Hawkins Cookers Limited, Butterfly Gandhimati Appliances Limited, Stove Kraft Limited. Amongst unlisted companies, the major competitors include Preethi Kitchen Appliances Private Limited, Franke Faber Private Limited, Sunflame Enterprises Private Limited and Glen Appliances Private Limited. Additionally, there is competition from a number of regional, unorganized manufacturers and retailers as well (*Source: Care Report*).

## INFRASTRUCTURE & UTILITIES:

**Raw Materials and other assembly items:** The main raw materials required in our manufacturing process are aluminium, steel, brass, copper, ABS plastic, PP Plastic. The other components and assembly line items required in our manufacturing process are toughened glass, PCB, rubber, plastic handle, grevlon coating etc. We also import components like: Toughened Glass, Gas Cock / Gas Valve, PCB, sensors, heating coil, heating plate, Lever Assembly, Heating Element, Temperature Controller, Connecting Wire, Clamp, glass lid etc. mainly from China.

**Power:** The requirement of power for our operations in our Bangalore facilities is met through Bangalore Electricity Supply Company Limited and that in our manufacturing facility situated at Parwanoo is met through Himachal Pradesh State Electricity Board Ltd. We also have Diesel Generators installed at our factories as a power backup.







**Water:** Water requirement for our factories in our Bangalore facilities is met through local sources.

**Manpower:** We believe that our employees are key contributors to our business success and thus 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 its kind of business. As on December 31, 2021, our Company has employed approximately 1400 employees at various levels of the Organization. We also employ manpower on contractual basis as per our manufacturing requirements.

## INSURANCE

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have insured all our factories including registered office and warehouse with Business Guard - Bharat Laghu Udyam Suraksha Insurance Policy against fire and burglary in relation to building, plant & machinery and stocks and other consumables and spares. Also we have obtained Marine Open Import Declaration Policy pertaining to insured trade anywhere in the world or/and anywhere in India. However, we are not insured against risk related to machinery breakdown, product's liability or third party claims, cash in transit, Employees Compensation, domestic and export shipments covering comprehensive risks. For further details, please refer to Risk factor ***"Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition"*** on page 35 of this Red Herring Prospectus.

## INTELLECTUAL PROPERTIES

We have registered certain business names, domain names and logos as trademarks under various classes with the Registrar of Trademarks in India, under the Trade Marks Act, 1999. Some of the registrations include , , , , , , [www.greenchef.in](http://www.greenchef.in). As on the date of this Red Herring Prospectus, we have 30 trademark registrations in India. Further, we have 17 trademark applications in India which have been objected by the trademark registry out of which rectification application has been filed for 1 trademark applications. For details of our intellectual property rights, see ***"Government and Other Statutory Approvals"*** on page 257 of this Red Herring Prospectus.

## IMMOVABLE PROPERTIES

Details of our immovable properties are as below:-

Sr. No	Details of the Property	Actual Use	Owned/ Leased	Details of Lessor/Licensor
1.	No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 58	Registered Office and Factory Unit 1	Rented	Rent Agreement executed between Nagaraj T and Greenchef Appliances Limited dated 01/03/2017. Term of this deed is 5 years. The rent payable by Greenchef Appliances Limited is Rs. 600,000/-. Rent shall increase by 5% every year.
2.	Plot No 246, Sompura I Stage Industrial Area In Niduvana Village, Sompura, Hobli, Nelamangala Taluk, Bengaluru, 562111	Factory Unit 2	Rented	Rent Agreement executed between Siddhartha Enterprises and Greenchef Appliances Limited dated 01/04/2021. Term of this deed is 3 years i.e. upto 31/03/2024. The rent payable by Greenchef Appliances Limited is Rs. 600,000/- for FY 21-22 and from FY 22-23 total rent will be Rs. 8,00,000/- in this Rs. 6,00,000/- for rent of premises and Rs. 2,00,000/- for usage of electricity generated by Solar Panels. Rent shall increase by 5% every year.
3.	Plot No. 30-A (Part), Survey No. 63, Dobaspet 1 Phase Industrial Area, Yedehally Village, Sompura Hobli, Nelamangala Taluk, Bangalore Rural Dist.	Factory Unit 3	Rented	Deed of Lease executed between NYL Electric Private Limited and Greenchef Appliances Limited dated 08/02/2021. This Deed expires on 20/02/2023. The rent payable by Greenchef Appliances Limited is Rs. 700,000/-. Rent shall increase by 5% every year.
4.	Khasra No. 423, Villag Nariyal, Near Sector-4, Parwanoo- 173220	Factory Unit 4	Rented	Rent Agreement executed between Greenchef Manufacturers & Distributors Private Limited and Greenchef Appliances Limited dated 28/02/2022. Term of this deed is 3 years. The rent payable by Greenchef Appliances Limited is Rs. 75,000/-. Rent shall increase by 5% for every 3 year.
5.	Plot No. 245-P1, Sompura 1 <sup>st</sup> Stage Industrial Area, Survey Nos. parts of 141, 142 and 143, Nidavananda Village, Sompura Hobli, Nelamangala Taluk, Bangalore Rural Dist.	Warehouse	Rented	Agreement to Lease executed between S.K. Enterprises and Greenchef Appliances Limited dated 28/04/2022. Term of this deed is 2 years. The rent payable by Greenchef Appliances Limited is Rs. 3,21,000/-. Rent shall increase by 5% in every 11 months.
6.	Plot No. 503, 504 & 505, SY No. 96, Vasanthanarasapura 2 <sup>nd</sup> Phase Industrial Area, Yalladadllu Village, Kora Hobli, Tumakuru Taluk, Tumakuru District	To put to use	Owned	Lease deed executed between Karnataka Industrial Areas Development Board and Greenchef Appliances Limited dated 18/09/2017. Term of this deed is 99 years. In consideration of the sum of Rs. 9,78,36,323/- paid by Greenchef and Yearly rent of Rs. 1000/- per acre per annum and maintenance charges of Rs. 3000/- per acre per annum.
7.	Plot No. 79, Sompura 1 Stage Industrial Area, Sy. No. 10 & 11, Bharatipura, Hobli Sompura, Taluk Nelamangala, District Bangalore		Owned	Agreement executed between Karnataka Industrial Areas Development Board and Greenchef Appliances Limited dated 15/05/2015. Term of this deed is 99 years. In consideration of the sum of Rs. 96,87,932/- paid by Greenchef and Yearly rent of Rs. 1,315/- per annum and maintenance charges of Rs. 6,565/- per annum.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that may be applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies 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 legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.

In addition to what has been specified in this Red Herring Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. 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. For details of government approvals obtained by us, see the chapter titled ***“Government and Other Statutory Approvals”*** beginning on page no 257 of this Red Herring Prospectus.

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

### **Key Acts, Regulations and Policies governing our Company**

#### **I. REGULATIONS REGARDING FOREIGN INVESTMENTS**

Under the current consolidated FDI Policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade (“DPIIT”) (formerly known as Department of Industrial Policy and Promotion) including any modifications thereto or substitutions thereof, issued from time to time (the “Consolidated FDI Policy”) and the Foreign Exchange Management (Non Debt Instruments) Rules, 2019, 100% FDI through automatic route is permitted in the manufacturing sector. Additionally, trading under the Consolidated FDI Policy is also under the automatic route and FDI is permitted upto 100% therein. Trading under the Consolidated FDI Policy includes sale of goods/merchandise to retailers, industrial, commercial, institutional or other professional business users or to other wholesalers and related subordinated service providers.

With effect from April 1, 2020, the aggregate limit is the sectoral caps applicable to Indian company as laid out in paragraph 3(b) of Schedule I of FEMA Non-Debt Instruments Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-Debt Instruments) Amendment Rules, 2020, which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a 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 Consolidated FDI Policy and the FEMA Non-Debt Instruments Rules.

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

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. The FTA read with the Indian Foreign Trade Policy, 2015-20 provides that no person or company can make exports or imports without having obtained an importer exporter code number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

## **Foreign Trade Policy 2015-20 (“EXIM Policy”)**

Under the FTA, the Government of India is empowered to periodically formulate the EXIM Policy and amend it thereafter whenever it deems fit. All exports and imports have to be in compliance with such EXIM Policy. The EXIM Policy provides for certain schemes for the promotion of export of finished goods and import of inputs.

## **II. ENVIRONMENTAL LAWS AND REGULATIONS**

We are subject to various environmental laws and regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at a central level. Establishments, as prescribed under various regulations are required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

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

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned state PCB. The Water Act also provides that the consent of the concerned state PCB must be obtained prior to establishing any industry, operations or any treatment and disposal system, which is likely to discharge sewage or effluent into a water body.

### **Water (Prevention & Control of Pollution) Cess Act, 1977 (“Water Cess Act”) and Water (Prevention & Control of Pollution) Cess Rules, 1978 (“Water Cess Rules”)**

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and state PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, inter alia, standards for meters and places where they are to be affixed and the furnishing of returns by consumers.

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

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

### **Environment (Protection) Act, 1986 (“EPA”)**

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of, inter alia, protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person, officer or any authority for any of the purposes of the EPA. Such directions include, inter alia, the power to direct the closure, prohibition or regulation of any industry, operation or process.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### **III. INDUSTRIAL AND LABOUR LAWS**

#### **Shops and Establishments Act of relevant state**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

#### **The Factories Act, 1948 (“Factories Act”)**

The Factories Act defines a “factory” to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each state government has rules in respect of the prior submission of plans and their approval for the establishment of factories, and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied

#### **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.

#### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of

establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

### **Payment of Gratuity Act, 1972**

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 10 or more than 10 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

### **Minimum Wages Act, 1948 (“MWA”)**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **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.



### **The Occupational Safety, Health and Working Conditions Code, 2020 (the “Occupational Conditions Code”)**

The Occupational Conditions Code received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Occupational Conditions Code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

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

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

### **Other labour law legislations**

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- a. Child Labour (Prohibition and Regulation) Act, 1986
- b. Transgender Persons (Protection of Rights) Act, 2019
- c. Equal Remuneration Act, 1976
- d. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- e. The Code on Wages, 2019\*
- f. The Code on Social Security, 2020\*\*
- g. Various state shops and establishments legislations

\*The GoI enacted ‘The Code on Wages, 2019’ which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(2)(s), 67(2)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986)) of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.

\*\*The GoI enacted ‘The Code on Social Security, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers’ Welfare Cess Act, 1996 and the Unorganised Workers’ Social Security Act, 2008.

## **IV. GENERAL CORPORATE COMPLIANCE AND TAX RELATED LEGISLATIONS**

### **Companies Act, 2013 (the “Companies Act”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

## **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.

## **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. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

## **V. INTELLECTUAL PROPERTY LEGISLATIONS:**

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

- a. The Trademarks Act, 1999
- b. Design Act, 2000
- c. Indian Copyright Act, 1957
- d. The Bureau of Indian Standards Act, 2016

### **The Trade Marks Act, 1999 (the “Trade Marks Act”)**

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

### **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.

### **Design Act, 2000 (“Design Act”)**

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition

of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

### **The Bureau of Indian Standards Act, 2016 (“BIS Act”)**

Bureau of Indian Standards Act, 2016 provides for the establishment of the Bureau of Indian Standards (“BIS”) for the development of the activities, inter alia, standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services, and formatters connected therewith and incidental thereto. Functions of the BIS include, inter alia, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as maybe prescribed to represent a particular Indian standard; (c) providing training services in relation to inter alia, quality management, standards, conformity assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

## **VI. OTHER APPLICABLE LAWS AND POLICIES**

### **Laws relating to Country of Origin.**

Currently, Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”) require a declaration of 'country of origin' or 'country of manufacture' or 'country of assembly' on the imported products. This is aimed at curbing false and misleading claims by the brands to deceive the customers, as also to give complete information of the product to a potential buyer. Demands for specifying the Country of Origin (“COO”) of products sold online has gained ground in view of Prime Minister's vision "Make in India". The Government had asked e-commerce entities to adhere to the Packaged Commodity Rules and display Country of Origin of products listed on their platform/s by August 01, 2020. In the recently of proposed amendment to the Consumer Protection (E-Commerce) Rules, 2020, inter alia, requires and e-commerce entity that offers imported goods or services for sale, to identify goods based on their country of origin, provide a filter mechanism on their e-commerce website and display notification regarding the origin of goods at the pre-purchase stage, at the time of goods being viewed for purchase, suggestions of alternatives to ensure a fair opportunity for domestic goods and further to provide ranking for goods and ensure that the ranking parameters do not discriminate against domestic goods and seller.

### **Consumer Protection Act, 2019 (the “Consumer Protection Act”) and rules made thereunder.**

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released amendments to the E-Commerce Rules for public comments. The aforesaid amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the amendments prohibit e-commerce entities from misleading users by manipulating

search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

### **Information Technology Act, 2002 (“Information Technology Act”)**

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data.

The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediaries Rules”) on February 25, 2021, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

### **Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 (“Compulsory Registration Order”)**

The Compulsory Registration Order mandates that the manufacturing, storage, import, sale or distribution of goods which do not meet the specified standard and/or bear a self-declaration confirming conformance to relevant Indian Standard is prohibited. The only exception is for those goods which are manufactured for export. Further, any sub-standard or defective goods must be deformed beyond use by the manufacturer and disposed of as scrap. The Compulsory Registration Order is issued by the Department of Electronics and Information Technology, Ministry of Communication and Information Technology, Government of India (“DEIT”). For details of approvals obtained in accordance with applicable regulations, see *“Government and Other Statutory Approvals”* on page 257.

### **The Indecent Representation of Women (Prohibition) Act, 1986 (“IRWA”)**

The IRWA prohibits indecent representation of women through advertisements, publications, writings, paintings, figures or in any other manner. It states that no person shall publish or release any advertisements involving an obscene portrayal of women or agree to participate in the publication or show, in any form. In the event an offence under IRWA has been committed by a company, every person, who, at the time the offence was committed was in-charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission

and Director General he shall be punishable with a fine which may exceed to ₹ 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

### **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 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.

### **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 Negotiable Instruments Act, 1881(NI Act)**

In India, the laws governing monetary instruments such as cheques are contained in the NI Act, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. 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.

## **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") & Foreign Exchange Management (Non-debt Instruments) Rules, 2019 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 of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

## **The Arbitration & Conciliation Act, 1996**

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

## **The Code of Criminal Procedure, 1973**

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1st April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behaviour. The law of criminal procedure is meant to be complimentary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

## **The Code of Civil Procedure, 1908**

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

## **HISTORY AND CORPORATE STRUCTURE**

### **Brief history and Background of our Company:**

Our Company was originally incorporated as “Greenchef Appliances Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 18, 2010 bearing registration No. 054118 issued by Registrar of Companies, Karnataka and CIN No. U29300KA2010PLC054118.

Sukhlal Jain, Uttam Chand Jain, Badrilal Jain, Vinod Kumar Jain, Vikas Kumar Sukhlal Jain, Praveen Kumar Sukhlal Jain and Vishal Uttamchand Jain were the initial subscribers to the Memorandum of Association of our Company. As on the date of this Red Herring Prospectus, Sukhlal Jain, Hitesh Kumar Jain, Vikas Kumar Sukhlal Jain, Praveen Kumar Sukhlal Jain and Vikas Kumar HUF are the Promoters of the Company.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled **“Our Business”, “Industry Overview”, “Our Management”, “Financial information of the Company” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on pages 96, 96, 173, 195 and 242 respectively of this Red Herring Prospectus.

### **Address of the Registered Office, Corporate Office, Factory Units and Warehouse:**

<b>Registered Office and Factory Unit 1</b>	No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560 058, Karnataka, India
<b>Factory Unit 2</b>	Plot No 246, Sompura I Stage Industrial Area In Niduvana Village, Sompura, Hobli, Nelamangala Taluk, Bengaluru – 562 111, Karnataka, India
<b>Factory Unit 3</b>	Plot No. 30-A (Part), Survey No. 63, Dobaspet 1 Phase Industrial Area, Yedehally Village, Sompura Hobli, Nelamangala Taluk, Bangalore Rural Dist
<b>Factory Unit 4</b>	Khasra No.423, Villag Nariyal, Near Sector-4, Parwanoo – 173 220, Himachal Pradesh, India
<b>Warehouse</b>	Plot no. 245 P1, Somapura 1st Phase, Dobaspet Industrial Area, Bengaluru Rural – 562 111, Karnataka, India

### **Changes in Registered Office of the Company since Incorporation:**

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Red Herring Prospectus.

<b>Effective Date/ Year</b>	<b>From</b>	<b>To</b>	<b>Reason for Change</b>
March 10, 2014	76/1, Mission Road, Below Adlabs, Bangalore – 560 027, Karnataka, India	No.19/3, 3rd Cross, Mango Garden, Srinivasa, Industrial Estate Behind Metro, Kanakpura Road, Bangalore, Karnataka – 560 062, INDIA	To improve the operational efficiency
November 01, 2019	No.19/3, 3rd Cross, Mango Garden, Srinivasa, Industrial Estate Behind Metro, Kanakpura Road, Bangalore, Karnataka – 560 062, INDIA	No. 477 E, IV Phase, Peenya Industrial Area, Bangalore, Karnataka – 560 058	To improve the operational efficiency

### **Main Objects of Memorandum of Association:**

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our Company are as follows:

1. To carry on business in India or elsewhere the business as manufacturers, assemblers, stockiest, warehousing & distribution of consumer durables, electrical, electronic, digital, mechanical and kitchen appliances & apparatus, calculating devices, communication devices, entertainment devices and its consumables & Spare parts, and to provide services of installers, repairers and AMC service providers of these products.

**Amendments to the Memorandum of Association:**

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
March 30, 2011	EGM	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 5.00 Lakhs divided into 50,000 Equity Shares of ₹ 10/- each to ₹ 60.00 Lakhs divided into 6,00,000 Equity Shares of ₹ 10/- each.
March 27, 2014	EGM	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 60.00 Lakhs divided into 6,00,000 Equity Shares of ₹ 10/- each to ₹ 2.00 Crore divided into 20,00,000 Equity Shares of ₹ 10/- each.
January 03, 2017	EGM	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 2.00 Crore divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 3.50 Crore divided into 35,00,000 Equity Shares of ₹ 10/- each.
March 01, 2017	EGM	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 3.50 Crore divided into 35,00,000 Equity Shares of ₹ 10/- each to ₹ 4.00 Crore divided into 40,00,000 Equity Shares of ₹ 10/- each.
November 16, 2017	EGM	Adoption of new set of Memorandum of Association containing regulations in conformity with the Companies Act, 2013
December 30, 2022	EGM	Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 4.00 Crore divided into 40,00,000 Equity Shares of ₹ 10/- each to ₹ 25.00 Crore divided into 2,50,00,000 Equity Shares of ₹ 10/- each.

**Adopting new set of Articles of Association of the Company:**

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated December 30, 2022.

**Major events and milestones of our Company:**

The table below sets forth some of the major events in the history of our company:

Year	Key Events / Milestone / Achievements
2010	Incorporation of our Company as “Greenchef Appliances Limited” under the provisions of the Companies Act, 1956.
2013	Commenced trading in kitchen appliances
2015	Commenced manufacturing of Kitchen Appliances at our Factory Unit 1 situated at Peenya Industrial Area
2018	Commenced manufacturing of Gas stoves at our Factory situated at Parwanoo, Himachal Pradesh
2019	Started Online marketing through e-commerce platforms
2017-18	Crossed Turnover of Rs. 125 Crore.
2018-19	Crossed Turnover of Rs. 250 Crore.
2019-20	Received Award for Fastest Growing Brands in FY 19-20 for category Home and Kitchen Appliances by United Research Services.
2021	Received Award for Asia’s Most Trusted Brand in 2021 by International Brand Consulting Corporation, USA
2021	Commenced manufacturing of Kitchen Appliances at Factory Unit 2 and 3 situated at Dabaspeth, Banagalore
2021	Initiated production of Kettles
2022	Initiated production of Electric Rice Cooker
2022	Received Award for India’s Best Brand of the year Awards 2022, Organized by Berkshire Media LLC, USA.
2022	Received Award for recognition of excellence for the Best Home & Kitchen Appliances Manufacturer by Karnataka Business Awards 2022.
2021-22	Crossed Turnover of Rs. 300 Crore.
2022-23	Obtained 6 new design registrations for our various products like: Knob For Stove, Gas Stove and Mixer Grinder



### **Other details about our Company:**

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of plants, competition please refer section titled "*Our Business*", "*Management Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis for Issue Price*" on pages 96, 242 and 86 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "*Our Management*" and "*Capital Structure*" beginning on page 173 and 63 of the Red Herring Prospectus respectively.

### **Changes in activities of our Company during the last five (5) Years:**

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Red Herring Prospectus.

### **Our Holding Company:**

As on the date of the Red Herring Prospectus, our Company is not a subsidiary of any company.

### **Our Subsidiary Company:**

As on the date of this Red Herring Prospectus, our Company does not have any Subsidiary Company. However, Greenchef Manufacturers and Distributors Private Limited and Modulus Springs Private Limited were erstwhile subsidiaries of the company and ceased to exist as subsidiaries of the Company w.e.f. November 15, 2022

### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc.:**

Our Company has not made any material acquisitions or divestments of business/undertakings mergers, amalgamation, any Revaluation of assets, etc. in the last 10 years preceding the date of this Red Herring Prospectus.

### **Injunction or Restraining Order:**

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

### **Capacity/ Facility Creation, Location of Plants:**

For details pertaining to capacity / facility creation, location of plant refers section "*Our Business*" on page 96 of this Red Herring Prospectus.

### **Details of launch of key products, entry in new geographies or exit from existing markets**

For details pertaining to launch of key products, entry in new geographies or exit from existing markets, please refer chapter titled "*Our Business*" on page 96 of this Red Herring Prospectus.

### **Changes in the Management:**

For details of change in Management, please see chapter titled "*Our Management*" on page 173 of the Red Herring Prospectus.

### **Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

### **Shareholders Agreements:**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Red Herring Prospectus.

### **Collaboration Agreements:**

As on date of this Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

**Other Material Agreement:**

Our Company has not entered into any other subsisting material agreements other than in the ordinary course of business of our Company, as on the date of this Red Herring Prospectus.

**Strategic or Financial Partners:**

Except as disclosed in this Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Red Herring Prospectus.

**Time and Cost Overruns in Setting up Projects:**

There has been no time/ cost overrun in setting up projects by our Company.

**Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Red Herring Prospectus.

**Other Agreements:**

**i. Non-Compete Agreement:**

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Red Herring Prospectus.

**ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Red Herring Prospectus:

Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment	Other Directorships
<b>Sukhlal Jain</b>  <b>Designation:</b> Chairman & Whole Time Director  <b>Age:</b> 71 Years  <b>Date of Birth:</b> June 01, 1952  <b>Address:</b> 34/A, 9th B Cross, 2nd Stage, West Of Chord Road, Bangalore, Mahalakshampuram Layout, Bangalore – 560 086, Karnataka, India.  <b>Experience:</b> 51 years  <b>Occupation:</b> Business  <b>Qualification:</b> Secondary School Certification  <b>Current Term:</b> For a period of 3 Years w.e.f. January 01, 2023; Liable to retire by rotation.  <b>Period of Directorship:</b> Since Incorporation  <b>DIN:</b> 02179430	<b>Companies:</b> 1. Greenchef Manufacturers & Distributors Private Limited  <b>LLP:</b> Nil
<b>Praveen Kumar Sukhlal Jain</b>  <b>Designation:</b> Managing Director  <b>Age:</b> 42 years  <b>Date of Birth:</b> March 01, 1980  <b>Address:</b> No 34/A, 9th B Cross, 2nd Stage, West of Chord Road, Near Modi Hospital, Bangalore, Mahalakshampuram Layout, Bangalore – 560 086, Karnataka, India.  <b>Experience:</b> 20 years  <b>Occupation:</b> Business  <b>Qualification:</b> Secondary School Certification  <b>Current Term:</b> For a period of 3 Years w.e.f. January 01, 2023; Liable to retire by rotation.  <b>Period of Directorship:</b> Since Incorporation  <b>DIN:</b> 02043628	<b>Companies:</b> 1. Greenchef Manufacturers & Distributors Private Limited  <b>LLP:</b> Nil
<b>Vikas Kumar Sukhlal Jain</b>  <b>Designation:</b> Whole Time Director <b>Age:</b> 46 years	<b>Companies:</b> Nil  <b>LLP:</b> Nil

<p><b>Date of Birth:</b> December 12, 1976</p> <p><b>Address:</b> No 34/A, 9th B Cross, 2nd Stage, Near Modi Hospital, West of Chord Road, Bangalore, Mahalakshmpuram Layout, Bangalore – 560 086, Karnataka, India.</p> <p><b>Experience:</b> 22 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> Bachelor of Engineering (Computer Science)</p> <p><b>Current Term:</b> For a period of 3 Years w.e.f. January 01, 2023; Liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since January 17, 2018</p> <p><b>DIN:</b> 06763779</p>	
<p><b>Hitesh Kumar Jain</b></p> <p><b>Designation:</b> Whole Time Director</p> <p><b>Age:</b> 34 years</p> <p><b>Date of Birth:</b> August 08, 1988</p> <p><b>Address:</b> No.36, 15th Main, M C Layout, Vijaynagar, Bangalore - 560 040, Karnataka, India</p> <p><b>Experience:</b> 12 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> Bachelor of Commerce</p> <p><b>Current Term:</b> For a period of 3 Years w.e.f. January 01, 2023; Liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since January 17, 2018</p> <p><b>DIN:</b> 01863942</p>	<p><b>Companies:</b> Nil</p> <p><b>LLP:</b> Nil</p>
<p><b>Kavitha Kumari</b></p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Age:</b> 42 years</p> <p><b>Date of Birth:</b> April 20, 1980</p> <p><b>Address:</b> No. 34/A, 9<sup>th</sup> B Cross, 2<sup>nd</sup> Stage West of Chord Road, Bangalore – 560 086, Karnatka, India</p> <p><b>Experience:</b> 12 Years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> Bachelore of Science</p> <p><b>Current Term:</b> Appointed w.e.f. December 05, 2022;</p>	<p><b>Companies:</b> Nil</p> <p><b>LLP:</b> Nil</p>

<p>Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since December 05, 2022</p> <p><b>DIN:</b> 02043540</p>	
<p><b>Japna Choudhary</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Age:</b> 35 years</p> <p><b>Date of Birth:</b> May 21, 1987</p> <p><b>Address:</b> No. 475, Phase-1, Radhey Shyam Vihar, Muradnagar, Ghaziabad – 201 001, Uttar Pradesh</p> <p><b>Experience:</b> 12 years</p> <p><b>Occupation:</b> Practising Company Secretary</p> <p><b>Qualification:</b> Company Secretary</p> <p><b>Current Term:</b> Regularised w.e.f. December 30, 2022; Not liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since December 05, 2022</p> <p><b>DIN:</b> 06571320</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Net4site Consulting India Private Limited</li> <li>2. Kris Sumeru Investments Private Limited (Under Liquidation)</li> <li>3. Eurobelt Belting Solutions Private Limited</li> <li>4. Westconcomstor International (India) Private Limited</li> <li>5. Intergram Logistics Private Limited</li> </ol> <p><b>LLP:</b> Nil</p>
<p><b>Smith Kumar Mogra</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Age:</b> 32 years</p> <p><b>Date of Birth:</b> October 10, 1990</p> <p><b>Address:</b> No.67/17, 1<sup>st</sup> Cross, H G H Layout, Ganganagar, R T Nagar Post, Bangalore – 560 032, Karnataka, India</p> <p><b>Experience:</b> 7 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> Chartered Accountant</p> <p><b>Current Term:</b> Regularised w.e.f. September 29, 2018; Not liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since April 25, 2018</p> <p><b>DIN:</b> 07782590</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Subhash Distributors Limited</li> </ol> <p><b>LLP:</b> Nil</p>
<p><b>Dhara Bhawesh Jain</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Age:</b> 36 years</p> <p><b>Date of Birth:</b> September 13, 1986</p> <p><b>Address:</b> 8/9 Raghuvir Society, Near P P Savani School, Hirabaug, Surat -</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Subhash Distributors Limited</li> </ol> <p><b>LLP:</b> Nil</p>

395006, Gujarat, India  <b>Experience:</b> 12 years  <b>Occupation:</b> Business  <b>Qualification:</b> Bachelor of Dental Surgery  <b>Current Term:</b> Regularised w.e.f. September 29, 2018; Not liable to retire by rotation  <b>Period of Directorship:</b> Since April 25, 2018  <b>DIN:</b> 07809941	
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#### **Brief Profile of Directors:**

- Sukhlal Jain**, aged 71 years, is the Promoter, Chairman and Whole Time Director of our Company. He has been on the Board of Directors of our Company since incorporation. He has completed his Secondary School Certification from Govt. Sr. Secondary School, Todgarh, Ajmer in year 1967-68. He has an overall work experience of around 51 years. He is a visionary entrepreneur and plays a pivotal role in business planning and development along with the overall management of the Company. Under his guidance our Company has witnessed continuous growth.
- Praveen Kumar Sukhlal Jain**, aged 42 years, is the Promoter and Managing Director of our Company. He has an overall work experience of around 20 years. He has been on the Board of Directors of our Company since Incorporation and has completed his Secondary School Certification from Sarda Vidya Mandir, Bangalore in year 1996-97. He drives the organization's goals and visions with a keen eye on industry trends and business strategies. He looks after marketing and financial activities of the company.
- Vikas Kumar Sukhlal Jain**, aged 46 years, is the Promoter and Whole Time Director of our Company. He has an overall work experience of around 22 years. He has been on the Board of Directors of our Company since January 17, 2018 and has completed his Bachelor of Engineering (Computer Science) from Sir M. Visvesvaraya Institute of Technology in year 1999. He looks after production, raw material procurement and quality control activities of the company.
- Hitesh Kumar Jain**, aged 34 years, is the Promoter and Whole Time Director of our Company. He has an overall work experience of around 12 years in the Kitchen and Home appliances industry. He has been on the Board of Directors of our Company since January 17, 2018 and completed his Bachelor of Commerce from Bangalore University in year 2009. He looks into the day to day operations and after sales services of the Company.
- Kavitha Kumari**, aged 42 years, is the Non-Executive Director of our Company. She has an overall work experience of 12 years Kitchen and Home appliances industry. She has completed her Bachelor of Science in Chemistry, Botany and Zoology from Bangalore University in the year 2002.
- Japna Choudhary**, aged 35 years, is an Independent Director of our Company. She has a work experience of 12 years as a practising Company Secretary. She has been on the Board of Directors of our Company since December 05, 2022 and she is the member of The Institute of Company Secretaries of India.
- Smith Kumar Mogra**, aged 32 years, is an Independent Director of our Company. He has a work experience of 7 years as a practising Chartered Accountant. He has been on the Board of Directors of our company since April 25, 2018 and he is the member of Institute of Chartered Accountants of the India.
- Dhara Bhawesh Jain**, aged 36 years, is an Independent Director of our Company. She has a work experience of 12 years as a Dental Surgeon. She has been on the Board of Directors of our company since April 25, 2018 and has completed her Bachelor of Dental Surgery from Rajiv Gandhi University of Health Services, Karnataka.

#### **Confirmations:**

As on the date of this Red Herring Prospectus:

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

#### **Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

#### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

#### **Details of Borrowing Powers of Directors:**

Pursuant to a Special Resolution passed at an Extra-ordinary General Meeting of our Company held on December 30, 2022 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained/ to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100.00 crores (Rupees One Hundred Crores Only).

#### **Compensation of our Managing Director and Whole-time Directors:**

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force).

#### **The following compensation has been approved for Managing Director and Whole-time Director:**

Particulars	Sukhlal Jain	Praveen Kumar Sukhlal Jain	Vikas Kumar Sukhlal Jain	Hitesh Kumar Jain
Appointment/Change in Designation	Originally Appointed as Non-Executive Director w.e.f. June 18, 2010.  Further, re-designated as Chairman & Whole Time Director w.e.f. January 01, 2023 to December 31, 2025	Originally Appointed as Non-Executive Director w.e.f. June 18, 2010.  Further, re-designated as Managing Director w.e.f. January 01, 2023 to December 31, 2025	Originally Appointed as Additional Director w.e.f. January 17, 2018.  Further, regularised as Executive Director w.e.f. September 29, 2018.  Further, re-designated as Whole Time Director w.e.f. January 01, 2023 to December	Originally Appointed as Additional Director w.e.f. January 17, 2018.  Further, regularised and re-designated as Executive Director w.e.f. September 29, 2018.  Further, re-designated as Whole Time

			31, 2025	Director w.e.f. January 01, 2023 to December 31, 2025
Current Designation	Chairman & Whole Time Director	Managing Director	Whole Time Director	Whole Time Director
Terms of Appointment	3 Years	3 Years	3 Years	3 Years
Remuneration	Rs. 36 lakhs p.a	Rs. 60 lakhs p.a	Rs. 48 lakhs p.a	Rs. 36 lakhs p.a
Compensation paid in the year 2021-22	Rs. 20 lakhs	Rs. 26 lakhs	Rs. 22 lakhs	Nil

#### **Bonus or Profit Sharing Plan for our Directors:**

We have no bonus or profit sharing plan for our Directors.

#### **Sitting Fees:**

The Articles of Association of our Company provides for the payment of sitting fees to the Directors (other than Managing Director & Whole-time Directors), not exceeding ₹ 1.00 Lakhs, as may be fixed by the Board of Directors from time to time, for attending a meetings of the Board and Committees thereof. Our Board of Directors have resolved at their meeting held on December 30, 2022 for the payment of sitting fees to Directors of the Company in the following manner:

- Rs. 10,000/- for each Board meeting
- Rs. 5,000/- for each Committee meeting attended by the Directors as applicable.

#### **Shareholding of our Directors as on the date of this Red Herring Prospectus:**

Sr. No.	Name of the Directors	No. of Shares Held	Holding in %
1.	Sukhlal Jain	1,44,000	0.84%
2.	Praveen Kumar Sukhlal Jain	2,04,480	1.20%
3.	Vikas Kumar Sukhlal Jain	2,97,600	1.74%
4.	Hitesh Kumar Jain	48,000	0.28%
	<b>Total</b>	<b>6,94,080</b>	<b>4.06%</b>

*None of the Independent Directors of the Company hold any Equity Shares of Company as on the date of this Red Herring Prospectus.*

As on date of the Red Herring Prospectus, we do not have Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

#### **INTEREST OF DIRECTORS**

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further our Directors may also interested to the extent of Personal Guarantee given by them or their relative towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** on page 238 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section ***"Our Management"*** or the section titled ***"Financial information of the Company –NoteZA-Related Party Disclosure"*** beginning on page 173 and 227 respectively of this Red Herring Prospectus, and except to the extent of shareholding in our Company as stated in the section titled ***"Capital Structure"*** our Directors do not have any other interest in our business.



**Interest in the property of our Company:**

Except as mentioned hereunder, Our Directors do not have any other interest in any property acquired/ rented by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of Red Herring Prospectus. For further details of property please refer to Chapter titled **“Our Business”** beginning on page 96 of this Red Herring Prospectus.

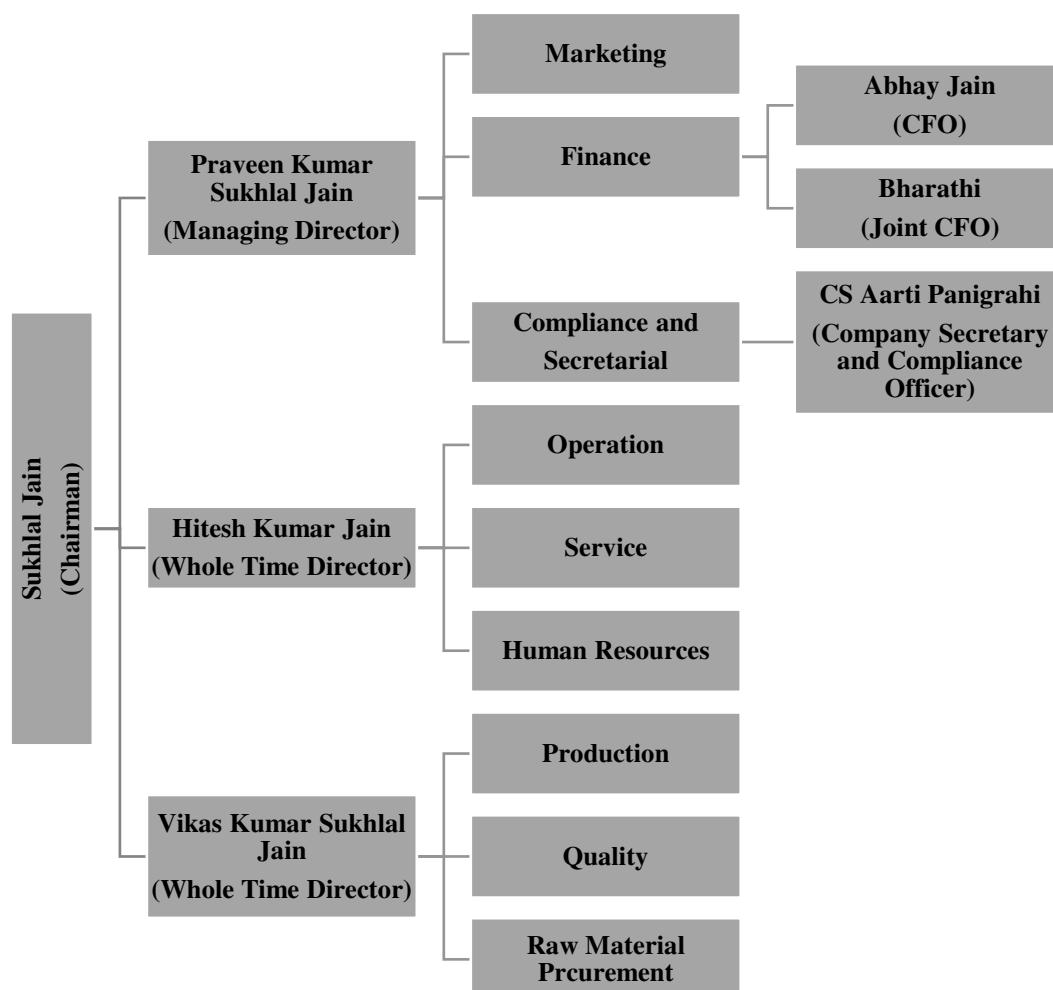
- The factory unit 2 of our company situated at Plot No 246, Sompura I Stage Industrial Area In Niduvana Village, Sompura, Hobli, Nelamangala Taluk, Bengaluru, 562111 is taken on rent from our promoter group entity M/s Siddhartha Enterprises, wherein our Director Vikas Kumar Jain is interested as a proprietor.
- The factory unit 4 of our company situated at Khasra No. 423, Village Nariyal, Near Sector-4, Parwanoo- 173220 is taken on rent from our group company Greenchef Manufacturers & Distributors Private Limited, wherein our Directors, Sukhlal Jain and Praveen Kumar Sukhlal Jain are interested as Directors.

**Changes in Board of Directors in Last 3 Years**

Sr. No.	Name of Director	Designation (at the time of appointment/ Change in designation/ Cessation)	Date of Appointment/ Change in designation/ Cessation	Reasons for Change
1.	Pooja Shantilal Jain	Resignation from Directorship	June 30, 2021	Due to personal reasons
2.	Neeta Jain	Resignation from Directorship	June 30, 2021	Due to personal reasons
3.	Devi Nirmala	Resignation from Directorship	June 30, 2021	Due to personal reasons
4.	Kavitha Kumari	Resignation from Directorship	June 30, 2021	Due to personal reasons
5.	Manju Jain	Resignation from Directorship	July 24, 2021	Due to personal reasons
6.	Ashok Kumar	Resignation from Directorship	January 15, 2022	Due to personal reasons
7.	Japna Choudhary	Appointed as Additional Independent Director	December 05, 2022	To ensure better Corporate Governance and compliance with Companies Act, 2013
		Regularized as Independent Director	December 30, 2022	
8.	Sukhlal Jain	Re-designated as Chairman and Whole Time Director	December 30, 2022	
9.	Praveen Kumar Sukhlal Jain	Re-designated as Managing Director	December 30, 2022	
10.	Vikas Kumar Sukhlal Jain	Re-designated as Whole Time Director	December 30, 2022	
11.	Hitesh Kumar Jain	Re-designated as Whole Time Director	December 30, 2022	
12.	Kavitha Kumari	Appointed as Additional Non-Executive Director	December 05, 2022	

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



## COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on NSE Emerge. The requirements pertaining to constitution of the committees such as the Audit Committee, Nomination and Remuneration Committees, Stakeholders Relationship Committee and Corporate Social Responsibility Policy have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Seven (7) directors of which three (3) are Independent Directors, and we have two women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted/ re-constituted the following Board-Level Committees:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholder's Relationship Committee; and

d. Corporate Social Responsibility Committee.

The details of the committees required to be constituted by our Company under the Companies Act, 2013 and the SEBI Listing Regulations are as follows:

**1. Audit Committee**

Our Company at its Board Meeting held on December 30, 2022 has approved the constitution of an Audit Committee (“Audit Committee”) in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

Name	Position in the Committee	Designation
Japna Choudhary	Chairman	Independent Director
Smith Kumar Mogra	Member	Independent Director
Kavitha Kumari	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure of the Committee:**

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:**

The committee shall meet at least four times in a year and not more than one hundred and twenty day shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

**C. Power of the Committee:**

The Audit Committee shall have powers, including the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- To have full access to information contained in records of Company.

**D. Role of the Committee:**

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

**The role of the Audit Committee shall include the following:**

- Overseeing the Company’s financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;

- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions; and
- g. Qualifications and modified opinions in the draft audit report.
- 5) Reviewing, with the management, the quarterly, half-yearly and annual 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/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 7) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, the performance of statutory and internal auditors, and 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) Discussing with internal auditors on any significant findings and follow up thereon;
- 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) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) Reviewing the functioning of the whistle blower mechanism;
- 19) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 21) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 22) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Further, the Audit Committee shall mandatorily review the following:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 3) internal audit reports relating to internal control weaknesses;
- 4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 5) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## 2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on December 30, 2022 has approved the constitution of Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

Name	Position in the Committee	Designation
Japna Choudhary	Chairman	Independent Director
Kavitha Kumari	Member	Non-Executive Director

Dhara Bhawesh Jain	Member	Independent Director
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The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure of the Committee:**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings of the Committee:**

The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

**C. Scope and Terms of reference:**

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of the performance of independent directors and the Board;
4. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
5. devising a policy on diversity of the Board;
6. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;
7. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
8. recommending to the Board, all remuneration, in whatever form, payable to senior management; and
9. Such other functions / roles as may be delegated to the Committee by the Board and/or as may be required under applicable laws.

**3. Stakeholders Relationship Committee**

Our Company at its Board Meeting held on December 30, 2022 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name	Position in the Committee	Designation
Sukhlal Jain	Chairman	Whole Time Director
Japna Choudhary	Member	Independent Director
Praveen Kumar Sukhlal Jain	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

**A. Tenure of the committee:**

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

**B. Meetings of the committee:**

The Stakeholder Relationship Committee shall meet at least once in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

**C. Scope and terms of reference:**

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

1. to consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. to review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. to review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;
5. Such other functions / roles as may be delegated to the Committee by the Board and/or as may be required under applicable laws.

**4. Corporate Social Responsibility**

Our Company has re-constituted the Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 vide Resolution dated December 30, 2022. The Corporate Social Responsibility Committee comprises the following:

Name	Position in the Committee	Designation
Sukhlal Jain	Chairman	Whole-Time Director
Japna Choudhary	Member	Independent Director
Praveen Kumar Sukhlal Jain	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee. Any member of the committee ceasing to be the Director shall be ceased to be the member of the Corporate Social Responsibility Committee. The tenure, Meetings and terms of reference of the Corporate Social Responsibility Committee includes the following:

**a) Tenure of the committee:**

The Corporate Social Responsibility Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Corporate Social Responsibility Committee as approved by the Board.

**b) Meetings of the committee:**

The Corporate Social Responsibility Committee shall meet at least once in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

**c) Scope and terms of reference:**

1. Encourage the development and recommend acceptance by the Board, of policies on all aspects of CSR including employment issues, health & safety, human rights, workforce diversity & inclusion, the environment, community & social investment, compliance with ethical trading & business practices and other CSR-related matters as may be determined by the CSR Committee from time to time.
2. Promote a culture of integrity and openness, which values diversity and responsiveness to the views of stakeholders'
3. Review and monitor compliance with the CSR policies throughout the Group and to review performance against agreed targets.
4. Review and develop and encourage effective two-way communication concerning CSR issues within the business.

5. Review best practice in key CSR areas by appropriate external reports and by benchmarking where possible.
6. Consider other topics, as referred to it by the Board.

#### Policy on Disclosures & Internal procedure for prevention of Insider Trading:

The provisions of Regulation 8 and 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted in Board meeting held on December 30, 2022 the policy on insider trading in view of the proposed public issue. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct for Prevention of Insider Trading conduct under the overall supervision of the Board.

#### KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of joining	Compensation paid for F.Y. ended 2021-2022 (in ₹ Lakhs)	Overall experience (in years)	Previous employment
<b>Sukhlal Jain</b> <b>Designation:</b> Chairman and Whole Time Director <b>Educational Qualification:</b> Secondary School Certification <b>Term of office:</b> 3 years w.e.f. January 01, 2023	71	2010	20.00	51 Years	Nil
<b>Praveen Kumar Sukhlal Jain</b> <b>Designation:</b> Managing Director <b>Educational Qualification:</b> Secondary School Certification <b>Term of office:</b> 3 years w.e.f. January 01, 2023	42	2010	26.00	20 Years	Nil
<b>Hitesh Kumar Jain</b> <b>Designation:</b> Whole Time Director <b>Educational Qualification:</b> Bachelor of Commerce <b>Term of office:</b> 3 years w.e.f. January 01, 2023	34	2018	-	12 Years	Nil
<b>Vikas Kumar Sukhlal Jain</b> <b>Designation:</b> Whole Time Director <b>Educational Qualification:</b> Bachelor of Engineering (Computer Science) <b>Term of office:</b> 3 years w.e.f. January 01, 2023	46	2018	22.00	22 Years	Nil
<b>Abhay Jain</b> <b>Designation:</b> Chief Financial Officer <b>Educational Qualification:</b> Bachelor of Commerce	32	2023	10.58	14 Years	M/s Siddhartha Enterprises.
<b>Bharathi</b> <b>Designation:</b> Joint Chief Financial Officer <b>Educational Qualification:</b> Bachelor of Commerce	44	2023	10.53	24 Years	Subhash Distributors Ltd.
<b>Aarti Panigrahi</b> <b>Designation:</b> Company Secretary and Compliance Officer <b>Educational Qualification - Company Secretary</b>	44	2023	-	3.5 Years	Pranaba Panigrahi & Associates

#### BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Sukhlal Jain-** Please refer to section “**Brief Profile of our Directors**” beginning on page 173 of this Red Herring Prospectus for details.

**Praveen Kumar Sukhlal Jain-** Please refer to section “**Brief Profile of our Directors**” beginning on page 173 of this Red Herring Prospectus for details.

**Vikas Kumar Sukhlal Jain-** Please refer to section “**Brief Profile of our Directors**” beginning on page 173 of this Red Herring Prospectus for details.

**Hitesh Kumar Jain-** Please refer to section “**Brief Profile of our Directors**” beginning on page 173 of this Red Herring Prospectus for details.

**Abhay Jain** is the Chief Financial Officer of our Company. He has completed his Bachelors of Commerce in 2010 from Mohanlal Sukhadia University, Udaipur. He is associated with our Company since 2017 He has around 14 years of experience in Accounts, Finance and Taxation field. He has been designated as Chief Financial Officer of our Company with effect from January 01, 2023.

**Bharathi** is the Joint Chief Financial Officer of our Company. She has completed his Bachelors of Commerce in 1998. She is associated with our Company since 2017. She has around 24 years of experience in the field of Accounts, Finance and Taxation. She has been designated as Joint Chief Financial Officer of our Company with effect from January 01, 2023.

**Aarti Panigrahi** is the Company Secretary and Compliance officer of our Company. She is a qualified Company Secretary from Institute of Company Secretaries of India. She has 3.5 year of experience in the field of secretarial matters. She looks after the overall corporate governance and secretarial matters of our Company.

**We confirm that:**

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain and Hitesh Kumar Jain are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2022.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Red Herring Prospectus except as under:-

Sr. No.	Name of the KMP's	No. of Shares held
1.	Sukhlal Jain	1,44,000
2.	Vikas Kumar Sukhlal Jain	2,97,600
3.	Praveen Kumar Sukhlal Jain	2,04,480
4.	Hitesh Kumar Jain	48,000
	<b>Total</b>	<b>6,94,080</b>

- Presently, we do not have ESOP/ ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our company belongs.

**Nature of any family relationship between our Directors and Key Managerial Personnel (KMP):**

The Directors and KMPs of the Company are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr. No.	Name of the Director/ KMP	Relationship with other Directors/ KMPs
1.	Sukhlal Jain	Father of Vikas Kumar Sukhlal Jain and Praveen Kumar Sukhlal Jain; Father in Law of Kavitha Kumari and



		Uncle of Hitesh Kumar Jain
2.	Praveen Kumar Sukhlal Jain	Son of Sukhlal Jain; Brother of Vikas Kumar Sukhlal Jain and Cousin of Hitesh Kumar Jain Husband of Kavitha Kumari
3.	Vikas Kumar Sukhlal Jain	Son of Sukhlal Jain; Brother of Praveen Kumar Sukhlal Jain and Cousin of Hitesh Kumar Jain Brother in Law of Kavitha Kumari
4.	Hitesh Kumar Jain	Nephew of Sukhlal Jain; Cousin of Praveen Kumar Sukhlal Jain and Vikas Kumar Sukhlal Jain
5.	Kavitha Kumari	Wife of Praveen Kumar Sukhlal Jain; Daughter in Law of Sukhlal Jain and Sister in law of Vikas Kumar Sukhlal Jain

#### **Payment of benefits to officers of Our Company (non-salary related):**

Except as disclosed in this Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

#### **Changes in the Key Managerial Personnel in last three years:**

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name of Director	Designation (at the time of appointment/ Change in designation/ Cessation) and period	Date appointment/ Change designation/ Cessation in	Reasons
1.	Sukhlal Jain	Change in Designation as Chairman & Whole Time Director for a period of 3 years	December 30, 2022	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance.
2.	Praveen Kumar Sukhlal Jain	Change in Designation as Managing Director for a period of 3 years	December 30, 2022	
3.	Vikas Kumar Sukhlal Jain	Change in Designation as Whole-Time Director for a period of 3 years	December 30, 2022	
4.	Hitesh Kumar Jain	Change in Designation as Whole-Time Director for a period of 3 years	December 30, 2022	
5.	Abhay Jain	Appointed as Chief Financial Officer	December 30, 2022	
6.	Bharathi	Appointed as Joint Chief Financial Officer	December 30, 2022	
7.	Aarti Panigrahi	Appointed as Company Secretary and Compliance Officer	December 30, 2022	

#### **Interest of Our Key Managerial Persons:**

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "**Financial information of the Company – Note ZA - Related Party Disclosures**" beginning on page 227 of this Red Herring Prospectus.

#### **Interest in the property of our Company:**

Except as mentioned above in the section "**Interest of our Directors**" on page 178 of the Red Herring prospectus, our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of filing the Red Herring Prospectus with RoC.

**Details of Service Contracts of the Key Managerial Personnel:**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Loans given/ availed by Directors/ Key Managerial Personnel of Our Company:**

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “*Note ZA – Related Party Disclosure*” page 227 of this Red Herring Prospectus.

**Employee Stock Option Plan ('ESOP')/ employee stock purchase scheme ('ESPS Scheme') to Employees:**

Presently, we do not have any ESOP/ ESPS Scheme for our employees.

## OUR PROMOTERS & PROMOTER GROUP


### **A. OUR PROMOTERS:**



The Promoters of our Company are:

1. Sukhlal Jain,
2. Praveen Kumar Sukhlal Jain;
3. Vikas Kumar Sukhlal Jain,
4. Hitesh Kumar Jain; and
5. Vikas Kumar Sukhlal Jain HUF.

As on date of this Red Herring Prospectus, the Promoters collectively holds 1,33,54,080 Equity shares of our Company, representing 78.06% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see *"Capital Structure – History of the Equity Share capital held by our Promoters"*, on pages 63 of this Red Herring Prospectus.

*Brief Profile of our Promoters is as under:*

	<p><b>Sukhlal Jain – Chairman &amp; Whole Time Director</b></p> <p>Sukhlal Jain, aged 71 years, is one of our Promoters and is also the Chairman &amp; Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <i>"Our Management –Brief biographies of Directors"</i> on page 173.</p> <p>He is Karta of "Sukhlal Jain HUF"</p> <p><b>Other ventures of our Promoters –</b></p> <p><b>Proprietorship:</b> Sukhlal Ashok Kumar Jain</p> <p>His permanent account number is AELPS6833A.</p> <p>For details of his shareholding, please see <i>"Capital Structure"</i> on page 63</p>
	<p><b>Praveen Kumar Sukhlal Jain – Managing Director</b></p> <p>Praveen Kumar Sukhlal Jain, aged 42 years, is one of our Promoter and is also the Managing Director of the Company. For further details, i.e., his date of birth, residential address, educational qualifications, experience, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <i>"Our Management –Brief biographies of Directors"</i> on page 173.</p> <p>He is Karta of "Praveen Kumar Sukhlal Jain HUF"</p> <p><b>Other ventures of our Promoters –</b></p> <p>Partnership Firm: M/s. Sunder Enterprises</p> <p>His permanent account number is AINPS4726J.</p> <p>For details of his shareholding, please see <i>"Capital Structure"</i> on page 63</p>

	<p><b>Vikas Kumar Sukhlal Jain - Whole-time Director</b></p> <p>Vikas Kumar Sukhlal Jain, aged 46 years, is one of our Promoter and is also the Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <i>“Our Management –Brief biographies of Directors”</i> on page 173.</p> <p>He is Karta of “Vikas Kumar Sukhlal Jain HUF”</p> <p><b>Other ventures of our Promoters –</b></p> <p><b>Proprietorship:</b> M/s Siddhartha Enterprises</p> <p>His permanent account number is AELPS6838M.</p> <p>For details of his shareholding, please see <i>“Capital Structure”</i> on page 63</p>
	<p><b>Hitesh Kumar Jain - Whole-time Director</b></p> <p>Hitesh Kumar Jain, aged 34 years, is one of our Promoter and is also the Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <i>“Our Management –Brief biographies of Directors”</i> on page 173.</p> <p>He is Karta of “Hitesh Kumar Jain HUF”</p> <p>His permanent account number is AHKPJ9208L.</p> <p>For details of his shareholding, please see <i>“Capital Structure”</i> on page 63</p>
<p><b>Vikas Kumar Sukhlal Jain HUF</b></p> <p>Vikas Kumar Sukhlal Jain HUF came into existence on April 04, 2001 and Vikas Kumar Sukhlal Jain is its Karta with Neeta Jain (Wife) and Megha Jain and Zuni Jain (Daughter) as its coparceners.</p> <p>Permanent account Number of Vikas Kumar Sukhlal Jain HUF is AAGHV1144L.</p> <p>Address: 34/A , 2nd Stage, WOC Road , 9th B Cross , Mahalakshmiapuram , Bangalore , 15-Karnataka , 91-India , 560086.</p> <p>For details of his shareholding, please see <i>“Capital Structure”</i> on page 63</p>	

#### **Confirmations/Declarations:**

In relation to our Promoters, our Company confirms that the PAN, bank account numbers, passport numbers, Aadhaar card number and driving license number shall be submitted to NSE at the time of filing of this Red Herring Prospectus.

#### **Undertaking/ Confirmations:**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on page 253 of this Red Herring Prospectus.
- None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### **Interest of our Promoters:**

#### ***i. Interest in promotion and shareholding of Our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Red Herring Prospectus, our Promoters, Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain, Hitesh Jain and Vikas Kumar Sukhlal Jain HUF collectively holds 1,33,54,080 Equity Shares in our Company i.e. 78.05% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to him for the rent, purchase and sale transactions. For details, please refer to **Note ZA –“Related Party Transactions”** beginning on page 227 of this Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see ***“Capital Structure”*** on page 63 of this Red Herring Prospectus.

#### ***ii. Interest in the property of Our Company:***

Except as mentioned hereunder, Our Promoters do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of Red Herring Prospectus. For further details of property please refer to Chapter titled ***“Our Business”*** beginning on page 96 of this Red Herring Prospectus.

- The factory unit 2 of our company situated at Plot No 246, Sompura I Stage Industrial Area In Niduvana Village, Sompura, Hobli, Nelamangala Taluk, Bengaluru, 562111 is taken on rent from our promoter group entity M/s Siddhartha Enterprises, Bangalore, wherein our Promoter Vikas Kumar Jain is interested as a proprietor.
- The factory unit 4 of our company situated at Khasra No. 423, Villag Nariyal, Near Sector-4, Parwanoo- 173220 is taken on rent from our group company Greenchef Manufacturers & Distributors Private Limited, wherein our Directors, Sukhlal Jain, Praveen Kumar Sukhlal Jain and Vikas Kumar Sukhlal Jain are interested as Directors

#### ***iii. Interest in transactions for acquisition of land, construction of building and supply of machinery***

Except for acquisition of plant & machinery worth Rs 420.13 lakhs in FY 21-22 from M/s Siddhartha Enterprises, Bangalore, wherein our Promoter Vikas Kumar Jain is interested as a proprietor, none of our promoters or director is interested in any transaction for the acquisition of land, construction of building or supply of machinery. For details please refer ***“Note ZA”*** on ***“Related Party Transactions”*** on page 227 forming part of ***“Financial Information of the Company”*** of this Red Herring Prospectus.

#### ***iv. Other Interests in our Company***

For transactions in respect of loans and other monetary transactions entered in past please refer ***Note ZA on “Related Party Transactions”*** on page 227 forming part of ***“Financial Information of the Company”*** of this Red Herring Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by him in favor of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** and ***“Financial Information of Our Company”*** on page 238 and 195 respectively of this Red Herring Prospectus.

### **Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and Promoter Group, please refer to the paragraph ***“Compensation of our Managing Director”*** in the chapter titled ***“Our Management”*** beginning on page 173 also refer ***Note-ZA*** on ***“Related***

**Party Transactions**” on page 227 forming part of **“Financial Information of the Company”** and Paragraph on **“Interest of Promoters”** in chapter titled **“Our Promoters and Promoter Group”** on page 189 of this Red Herring Prospectus.

**Companies/Firms with which our Promoters has disassociated in the last (3) three years:**

Except as disclosed below, our promoters have not disassociated themselves as directors from any of the Company, Firms or other entities during the last three years preceding from the date of this Red Herring Prospectus.

Sr. No.	Name of Promoter	Companies or firms with which Promoter(s) have disassociated	Reasons and circumstances of disassociation	Date of Disassociation
1.	Sukhlal Jain	Subhashini Biz Ventures Private Limited	Strike-off of the Company	February 02, 2022
2.	Praveen Kumar Sukhlal Jain	Ganga Consumer Durables Limited	Voluntarily resignation from Directorship	March 31, 2021
		Subhashini Biz Ventures Private Limited	Strike-off of the Company	February 02, 2022
3.	Hitesh Kumar Jain	Subhash Distributors Limited	Voluntarily resignation from Directorship	March 31, 2022

**Other ventures of our Promoters:**

Save and except as disclosed in this section titled **“Our Promoters & Promoter Group”** beginning on page 189 of this Red Herring Prospectus, there are no other ventures, in which our Promoters have any business interests/ other interests.

**Litigation details pertaining to our Promoters:**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled **“Outstanding Litigations and Material Developments”** beginning on page 253 of this Red Herring Prospectus.

**Material Guarantees:**

Except as stated in the **“Statement of financial indebtedness”** and **“Restated financial information of the company”** beginning on page 238 and 195 of this Red Herring Prospectus respectively, our Promoters has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

**Experience of Promoters in the line of business:**

Our Promoters, Sukhlal Jain, Praveen Kumar Sukhlal Jain, Vikas Kumar Sukhlal Jain, and Hitesh Jain has an experience of around 51, 20, 22 and 12 years in the business of Kitchen appliances industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

**Related Party Transactions:**

For the transactions with our Promoter Group, please refer to section titled **“Note ZA- Restated Statement of Related Party Transactions”** on page 227 of this Red Herring Prospectus.

**B. OUR PROMOTER GROUP:**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

- a) **Natural persons i.e., an immediate relative of the promoters (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);**

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship with Promoter	Sukhlal Jain	Vikas Kumar Sukhlal Jain	Praveen Kumar Sukhlal Jain	Hitesh Kumar Jain
Father	Late Nemichand Jain	Sukhlal Jain	Sukhlal Jain	Uttamchand Jain
Mother	Late Nainabai	Nirmala Devi	Nirmala Devi	Chadra Devi

Spouse	Nirmala Devi	Neetha Jain	Kavitha Kumari	Pooja Jain
Brother	Uttamchand Jain & Badrilal Jain	Praveen Kumar Jain	Vikas Jain	Vishal Jain
Sister	Shanta Bai & Tara Bai	Nisha Jain	Nisha Jain	Neetha Jain
Son	Vikas Kumar Jain & Praveen Kumar Jain	-	Veer Jain & Ranveer Jain	Viraj Jain
Daughter	Nisha Jain	Zuni Jain & Megha Jain	-	Mishka Jain
Spouse's Father	Late Dharmichand	Roshan Lal Kothari	Balchand Gandhi	Shantilal Mehta
Spouse's Mother	Late Sundar Devi	Saroj Devi Kothari	Sayar Bai	Meena Bai Mehta
Spouse's Brother	Shantilal Jain Bhopal Jain Gopi Jain Pukhraj Jain Dilip Kumar Jain	Rakeshkumar Roshanlal Kothari	Dilip Kumar Gandhi Jitendra Gandhi Lalit Gandhi	Vaibhav Mehta
Spouse's Sister	Susheela Devi & Madhu Bai	Dimple Bohara & Simple Dak	Manju Jain	Swetha Mehta

**b) Corporate Entities or Firms forming part of the Promoter Group**

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Sr. No.	Nature of Relationship	Entities
1.	Any Body Corporate (other than Subsidiary & Associate) in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	<ul style="list-style-type: none"> <li>Greenchef Manufacturers and Distributors Private Limited</li> <li>Modulus Springs Private Limited</li> </ul>
2.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	Nil
3.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;	<ul style="list-style-type: none"> <li>M/s. Sunder Enterprises</li> <li>M/s Siddhartha Enterprises (Proprietor Vikas Kumar Sukhlal Jain)</li> <li>M/s Siddhartha Enterprises (Proprietor Vikas Kumar Sukhlal Jain HUF)</li> <li>M/s Sukhlal Ashok Kumar Jain</li> </ul>

**c) Other persons included in Promoter Group:**

Vinod Jain, Anju Jain, Goutham Jain, Savitha Jain, Mamatha Jain, Badrilal Jain HUF, Vinod Jain HUF, Ashok Kumar Jain HUF and Uttam Chand Jain HUF form part of Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018.

## **DIVIDEND POLICY**

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder) and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

The Articles of Association of our Company states that amount of dividend declared shall not exceed the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. Our Company may pay dividend by cheque, or warrant sent through the post directed to the registered address of the holder or, in case of joint holders, to the registered address of that one of the joint holders who is the first named on the register of members or any other mode as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

Our Company has not declared any dividend on the Equity Shares in the last three financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



## **SECTION VI: FINANCIAL INFORMATION OF THE COMPANY**

### **INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION**

To,  
The Board of Directors,  
**GREENCHEF APPLIANCES LIMITED**  
No. 477 E, IV Phase, Peenya Industrial Area,  
Bangalore - 560 058,  
Karnataka, India

Dear Sirs,

1. We have examined the attached Restated Financial Statements of Greenchef Appliances Limited (the Company) and its subsidiaries (Collectively referred to as **the Group**), comprising the Restated Standalone Statement of Assets and Liabilities as at December 31, 2022 and the Restated Consolidated Statement of Assets and Liabilities for the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Standalone Statements of Profit and Loss, the Restated Standalone Cash Flow Statement for the period ended December 31, 2022 and the Restated Consolidated Statements of Profit and Loss, the Restated Consolidated Cash Flow Statement for the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on March 20, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("Draft Offer Document/Offer Document") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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 ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Offer Document/Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Bangalore in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
3. We, **M/s Patel Shah and Joshi** Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and holds the peer review certificate dated 31/10/2022 valid till 31/10/2025. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate
4. 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 December 30, 2022 in connection with the proposed IPO of the Company;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the company for the period ended on December 31, 2022 approved by the Board of Directors of the company on March 20, 2023 and the Audited Consolidated Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 prepared to comply with provisions of AS 21 and approved by the Board of Directors on March 20, 2023. The audited financial statements of the Company for the period ended December 31, 2022 and the Audited Consolidated Financial Statements of the Company for the year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 for the purpose of restatement has been audited by us. Whereas the Audited standalone financial statements of the company for the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020 has been audited by M/s J R Jain & Co.
6. For the purpose of our examination, we have relied on:
- a) Auditors' reports issued by M/s J R Jain & Co on the financial statements of the Company for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 and on the Auditors' reports issued by us on the financial statements of the Company for the period ended on December 31, 2022 and on the Audited consolidated financial statements of the company for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020.
7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information have been prepared:
- a) after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years/period ended December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
- b) in accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors on March 20, 2023 for the years/period ended December 31, 2022 March 31, 2022, March 31, 2021 and March 31, 2020.

#### Annexure V - Notes to the Restated Financial Information;

- a) Restated Statement of Share Capital, Reserves and Surplus as appearing in Note A to this report;
- b) Restated Statement of long term Borrowings as appearing in Note B to this report;
- c) Restated Statement of principal terms of Secured Loans and Assets charged as security as appearing in Note B(A) to this report;
- d) Statement of terms & conditions of unsecured loans as appearing In Note B(B) to this report;
- e) Restated Statement of Other long term Liabilities as appearing in Note C to this report;
- f) Restated Statement of Long term provisions as appearing in Note D to this report;
- g) Restated Statement of Short term borrowings as appearing in Note E to this report;
- h) Restated Statement of Trade Payables as appearing in Note F to this report;
- i) Restated Statement of Other Current Liabilities as appearing in Note G to this report;
- j) Restated Statement of Short Term Provisions as appearing in Note H to this report;
- k) Restated Statement of Property, Plant & Equipment as appearing in Note I to this report;
- l) Restated Statement of Deferred tax (assets)/liabilities as appearing in Note J to this report;
- m) Restated Statement of Other Non current assets as appearing in Note K to this report;
- n) Restated Statement of Trade Receivables as appearing in Note L to this report;
- o) Restated Statement of Cash and Cash Equivalents as appearing in Note M to this report;
- p) Restated Statement of Inventories as appearing in Note N to this report;
- q) Restated Statement of Short term Loans and Advances as restated as appearing in Note O to this report;
- r) Restated Statement of Revenue from Operations as appearing in Note P to this report;
- s) Restated Statement of Other Income as appearing in Note Q to this report;
- t) Restated Statement of Purchase of Material as appearing in Note R to this report;
- u) Restated Statement of Purchase of Stock in trade as appearing in Note S to this report;

- v) Restated Statement of Change in Inventories as appearing in Note T to this report;
  - w) Restated Statement of Employee Benefit Expenses as appearing in Note U to this report;
  - x) Restated Statement of Finance Cost as appearing in Note V to this report;
  - y) Restated Statement of Depreciation & Amortization as appearing in Note W to this report ;
  - z) Restated Statement of Other Expenses as appearing in Note X to this report ;
  - aa) Restated Statement of Contingent Liabilities as appearing in Note Y to this report ;
  - bb) Restated Statement of Tax Shelter as appearing in Note Z to this report ;
  - cc) Restated Statement of Related Party Transactions as appearing in Note ZA to this report ;
  - dd) Restated Statement of Mandatory Accounting Ratios as appearing in Note ZB to this report ;
  - ee) Additional information to restated financial statement as appearing in Note ZC to this report ;
  - ff) Other disclosures to restated financial statement as appearing in Note ZD to this report ;
  - gg) Capitalisation Statement as appearing in Note ZE to this report ;
9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.
  10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Bangalore in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
  13. In our opinion, the above financial information contained in Annexure I to Annexure V 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 Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For M/s Patel Shah and Joshi**

**Chartered Accountants**

FRN 107768W

Sd/-

**Jayant Mehta**

**Partner**

M. No.042630

Place: Bangalore

Date: March 20, 2023

UDIN: 23042630BGXOAY3620

**ANNEXURE - I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lakhs)

PARTICULARS		Notes	Standalone 31/12/2022	Consolidated 31/03/2022	Consolidated 31/03/2021	Consolidated 31/03/2020
A)	<b>EQUITY AND LIABILITIES</b>					
1.	<b>Shareholders' Funds</b>					
(a)	Share Capital	<b>A</b>	356.43	356.43	356.43	356.43
(b)	Reserves & Surplus	<b>A</b>	5,705.96	4,814.25	4,736.84	4,498.14
(c)	Minority interest		-	179.24	173.70	180.10
	Share Application Money		-	-	-	-
			<b>6,062.39</b>	<b>5,349.93</b>	<b>5,266.96</b>	<b>5,034.66</b>
2.	<b>Non-Current Liabilities</b>					
(a)	Long Term Borrowings	<b>B</b>	2,608.04	3,158.91	3,040.98	2,405.51
(b)	Other long term liabilities	<b>C</b>	420.85	256.18	251.00	316.95
(c)	Long Term Provisions	<b>D</b>	68.15	95.50	113.33	91.68
			<b>3,097.04</b>	<b>3,510.59</b>	<b>3,405.31</b>	<b>2,814.14</b>
3.	<b>Current Liabilities</b>					
(a)	Short Term Borrowings	<b>E</b>	3,419.43	3,523.90	2,141.40	1,510.55
(b)	Trade Payables	<b>F</b>				
	(A) outstanding dues of micro enterprises and small enterprises; and		4,033.90	2,480.46	707.16	1290.21
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		2,395.22	2,203.14	1,966.61	1,506.46
(c)	Other Current Liabilities	<b>G</b>	984.16	828.37	639.84	399.31
(d)	Short Term Provisions	<b>H</b>	337.49	57.20	96.09	7.54
			<b>11,170.20</b>	<b>9,093.07</b>	<b>5,551.11</b>	<b>4,714.08</b>
	<b>Total</b>		<b>20,329.62</b>	<b>17,953.59</b>	<b>14,223.39</b>	<b>12,562.89</b>
B)	<b>ASSETS</b>					
1.	<b>Non-Current Assets</b>					
(a)	Property, Plant and Equipment and Intangible assets	<b>I</b>				
	I) Property, Plant and Equipment					
	(i) Gross Block		4,002.88	3,875.66	2,942.38	2,835.37
	(ii) Depreciation		1,138.98	896.54	697.01	604.22
	(iii) Net Block		2,863.90	2,979.12	2,245.37	2,231.15
	II) Intangible Assets		2.62	3.37	8.00	0.88
	III) Capital Work-in-Progress		769.95	283.49	24.39	22.71
	IV) Intangible assets under development		94.27	56.45	-	-
			<b>3,730.74</b>	<b>3,322.43</b>	<b>2,277.76</b>	<b>2,254.74</b>
(b)	Non-Current Investment					
(c)	Deferred Tax Assets (Net)	<b>J</b>	67.92	68.43	57.63	33.65
(d)	Other Non-Current Assets	<b>K</b>	224.70	170.77	204.52	122.07
			<b>292.62</b>	<b>239.20</b>	<b>262.15</b>	<b>155.72</b>
2.	<b>Current Assets</b>					
(a)	Trade Receivables	<b>L</b>	6,780.03	6,476.74	5,986.67	5,894.14
(b)	Cash and Cash equivalents	<b>M</b>	119.84	181.32	147.40	63.75
(c)	Inventories	<b>N</b>	8,467.01	6,706.40	4,275.89	3,610.27
(d)	Short-Term Loans and Advances	<b>O</b>	939.38	1,027.49	1,273.52	584.28
			<b>16,306.26</b>	<b>14,391.96</b>	<b>11,683.48</b>	<b>10,152.43</b>
	<b>Total</b>		<b>20,329.62</b>	<b>17,953.59</b>	<b>14,223.39</b>	<b>12,562.89</b>

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

(Rs. in Lakhs)

PARTICULARS		Note	Standalone	Consolidated	Consolidated	Consolidated
			31/12/2022	31/03/2022	31/03/2021	31/03/2020
<b>1</b>	<b>Revenue From Operations</b>	<b>P</b>	25,482.78	33,578.47	23,899.10	23,754.52
<b>2</b>	<b>Other Income</b>	<b>Q</b>	150.69	126.05	30.22	52.65
	<b>Total Income (1+2)</b>		<b>25,633.47</b>	<b>33,704.52</b>	<b>23,929.33</b>	<b>23,807.17</b>
<b>3</b>	<b>Expenditure</b>					
(a)	Raw Material Consumption	<b>R</b>	13,306.84	18,872.89	13,171.16	9,761.35
(b)	Purchase of Stock in Trade	<b>S</b>	3,331.45	4,197.26	4,013.14	6,901.70
(c)	Change in inventories of finished goods, work in progress and stock in trade	<b>T</b>	(666.58)	(621.93)	(519.01)	(1,089.81)
(d)	Employee Benefit Expenses	<b>U</b>	2,840.22	3,508.50	1,978.74	2,405.90
(e)	Finance Cost	<b>V</b>	342.47	552.81	380.97	441.21
(f)	Depreciation and Amortisation Expenses	<b>W</b>	247.95	250.10	163.72	193.30
(g)	Other Expenses	<b>X</b>	4,887.53	6,828.75	4,364.82	5,061.62
<b>4</b>	<b>Total Expenditure 3(a) to 3(g)</b>		<b>24,289.87</b>	<b>33,588.38</b>	<b>23,553.53</b>	<b>23,675.26</b>
<b>5</b>	<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax (+2-4)</b>		<b>1,343.60</b>	<b>116.14</b>	<b>375.79</b>	<b>131.91</b>
<b>6</b>	<b>Exceptional and Extra-ordinary items</b>					
<b>7</b>	<b>Profit/(Loss) Before Tax (5+-6)</b>		<b>1,343.60</b>	<b>116.14</b>	<b>375.79</b>	<b>131.91</b>
<b>8</b>	<b>Tax Expense:</b>					
(a)	Tax Expense for Current Year		321.54	44.85	131.66	31.21
(b)	Short/(Excess) Provision of Earlier Year				11.02	7.14
(c)	Deferred Tax		0.51	(10.80)	(23.98)	(23.69)
	<b>Net Current Tax Expenses</b>		<b>322.05</b>	<b>34.04</b>	<b>118.70</b>	<b>14.65</b>
<b>9</b>	<b>Profit/(Loss) for the Year (7-8)</b>		<b>1,021.55</b>	<b>82.09</b>	<b>257.10</b>	<b>117.26</b>
	<b>Share of minority interest</b>			<b>(5.55)</b>	<b>(5.75)</b>	<b>(5.49)</b>
	<b>Profit / (Loss) For The Year</b>		<b>1,021.55</b>	<b>76.54</b>	<b>251.34</b>	<b>111.77</b>
	<b>Earnings per share (Equity Share par value INR 10 each) Basic &amp; Diluted</b>		<b>5.97</b>	<b>0.45</b>	<b>1.47</b>	<b>0.65</b>

**ANNEXURE III**  
**RESTATED CASH FLOW STATEMENT**

(Rs. in Lakhs)

PARTICULARS	FOR THE YEAR ENDED			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>A) Cash Flow From Operating Activities :</b>				
<b>Net Profit before tax</b>	1,343.60	116.14	375.79	131.91
Adjustment for :				
Depreciation and amortization	247.95	250.10	163.72	193.30
Interest Paid	342.47	552.81	380.97	441.21
Foreign currency translation reserve	0.01	0.88		
Income Tax Provision	(321.54)	(44.85)	(142.68)	(38.35)
<b>Operating profit before working capital changes</b>	<b>1,612.48</b>	<b>875.08</b>	<b>777.81</b>	<b>728.08</b>
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Trade Receivables	(308.78)	(490.07)	(92.53)	799.73
(Increase)/Decrease in Inventory	(1,761.39)	(2,430.51)	(665.62)	(899.77)
(Increase)/Decrease in Short Term Loans & Advances	62.24	246.01	(714.03)	89.52
(Increase)/Decrease in Other Non Current Assets	(8.73)	33.76	(82.45)	8.23
Increase/(Decrease) in Trade Payables	1,733.02	2,009.83	(122.91)	(257.05)
Increase/(Decrease) in Other Current Liabilities	156.78	188.53	240.53	(376.98)
Increase/(Decrease) in long Term Provisions,	(27.35)	(17.83)	21.65	91.68
Increase/(Decrease) in Short Term Provisions, etc	285.11	(38.89)	88.55	(252.77)
<b>Cash generated from operations</b>	<b>1,743.38</b>	<b>375.90</b>	<b>(549.01)</b>	<b>(69.32)</b>
<b>Net cash flow from operating activities A</b>	<b>1,743.38</b>	<b>375.90</b>	<b>(549.01)</b>	<b>(69.32)</b>
<b>B) Cash Flow From Investing Activities :</b>				
Net Sale /Purchase of Property, plant & equipment incl. of CWIP	(1,008.08)	(1,294.78)	(186.74)	(224.71)
Sale of Fixed Assets	-			
Investment made/Sold during the year	51.00			
<b>Net cash flow from investing activities B</b>	<b>(957.08)</b>	<b>(1,294.78)</b>	<b>(186.74)</b>	<b>(224.71)</b>
<b>C) Cash Flow From Financing Activities :</b>				
Proceeds from Issue of Share Capital			-	
Increase/(Decrease) in Short Term Borrowings	(104.47)	1,382.49	630.86	(119.77)
Increase/(Decrease) in Long Term Borrowings	(550.88)	117.93	635.47	569.96
Increase/(Decrease) in Other long term liabilities	164.67	5.18	(65.95)	316.95
Interest Paid	(342.47)	(552.81)	(380.97)	(441.21)
Share Money Pending Allotment			-	-
Increase/(Decrease) in Long Term Loans and Advances	-	-	-	-
<b>Net cash flow from financing activities C</b>	<b>(833.14)</b>	<b>952.80</b>	<b>819.40</b>	<b>325.94</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(46.84)</b>	<b>33.92</b>	<b>83.65</b>	<b>31.91</b>
Cash equivalents at the beginning of the year	166.68	147.40	63.75	31.83
<b>Cash equivalents at the end of the year</b>	<b>119.84</b>	<b>181.32</b>	<b>147.40</b>	<b>63.75</b>

Notes:-

		31/12/2022	31/03/2022	31/03/2021	31/03/2020
		Standalone	Consolidated	Consolidated	Consolidated
<b>1.</b>	Component of Cash and Cash equivalents				
	Cash on hand	6.37	13.95	4.80	5.13
	Balance With banks	39.19	85.10	96.64	12.94
	Other Bank Balance	74.27	82.27	45.96	45.67
	<b>Total</b>	<b>119.84</b>	<b>181.32</b>	<b>147.40</b>	<b>63.75</b>

1. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.
2. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement

**ANNEXURE – IV**  
**SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL INFORMATION**

**COMPANY OVERVIEW**

Greenchef appliances Limited (the “**Company**”) was incorporated on June 18, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Karnataka. The Company’s registered office is situated at No. 477 E, IV phase, peenya industrial area, Bangalore 560058. The company is engaged in the business of manufacturing and marketing of wide range of kitchen appliances under the brand name of Greenchef

**I. SIGNIFICANT ACCOUNTING POLICIES**

The Restated Standalone Statement of Assets and Liabilities (Annexure I) of the company as at December 2022 and restated Consolidated statement of Assets and Liabilities for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Standalone Statements of Profit and Loss (Annexure II), the Restated Standalone Cash Flow Statement (Annexure III) for the financial period ended December 2022 and the Restated Consolidated Statements of Profit and Loss (Annexure II), the Restated Consolidated Cash Flow Statement (Annexure III) for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 (hereinafter collectively referred to as “Restated Financial Information”) have been extracted by the management from the Audited Financial Statements of the company for the period ended on December 31, 2022 and the Audited Consolidated Financial Statements of the Company for the year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 which have been approved by the Board of Directors.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**b. Use of Estimates**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereon, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**c. Going Concern**

The financial statements have been prepared on a going concern basis.

**d. Revenue Recognition**

**Sales**

Sales are stated at net of returns and GST. Revenue from sale of traded goods are recognized when significant risks and rewards of ownership of the goods have passed to the buyer which coincides with delivery and are recorded net of trade discounts.

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**e. Inventories**

Raw Materials and Finished Goods and Stock in process are valued at Cost or Net realizable value, whichever is less, In respect of Raw material cost have been arrived on FIFO basis. In the case of Finished Goods and Stock in progress, cost



has been arrived at on actual cost basis. The cost of inventories comprise of cost of purchase and other costs in bringing the inventory to their present location and condition.

#### **f. Property, Plant and Equipment and intangible assets**

##### **Property, Plant and Equipment**

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the carrying amount of asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the year in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognized in the Statement of Profit and Loss.

##### **Intangible Assets:**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use

##### **Capital work in progress & Intangible asset under development**

Projects which are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

#### **g. Depreciation**

Depreciation on Property, Plant and Equipment and intangible assets is provided to the extent of depreciable amount on the Written down Value method. Depreciation is provided based on the useful life of assets as prescribed in schedule II to the Companies Act, 2013. Proportionate depreciation is charged for additions/deletions during the year.

##### **Description Useful Life**

Office Equipments	5 Years
Furniture and Fixtures	10 Years
Vehicles – Other than two-wheelers	8 Years
Vehicles – Two Wheelers	10 Years
Plant and Machinery	15 Years
Factory Building	10 Years
Computer	3 Years
Computer Software (Intangible asset)	3 Years

#### **h. Foreign Exchange Transactions**

Foreign-currency denominated monetary assets and liabilities if any are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from the transactions relating to purchase of current assets like Raw Material or other products etc. are included in the Statement of Profit and Loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction.

#### **i. Employee Retirement Benefits**

- (i) Company's contribution to Provident fund and Employee State Insurance are charged to statement of Profit and Loss.
- (ii) Company's Gratuity liability is actuarially determined by projected unit credit method, Liability or asset & Expenses or gain are recognized in the balance sheet and statement of profit or loss as per the actuarial report.

#### **j. Borrowing Cost**

Borrowing costs include interest and amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the borrowing. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the year from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### **k. Leases**

Leases arrangements, where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are classified as operating leases and the lease rentals thereon are charged to the Statement of Profit and Loss on accrual basis over the period of the lease on a straight line basis. Assets acquired under finance lease arrangements are recognized as an asset and a liability is set up at the inception of the lease, at an amount equal to lower of the fair value of the leased assets or the present value of the future minimum lease payments.

#### **l. Segment information**

The Company has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Company is primarily determined by the nature of products and services.

#### **m. Earnings per share**

The basic earnings per share is computed by dividing the net profit or loss after tax for the period attributable to equity share holders for the year by the weighted average number of equity shares outstanding during the year. There are no potentially dilutive shares.

#### **n. Taxes on income**

##### **Current Tax:**

Income taxes are calculated using the tax effect accounting method where taxes are accrued in the same period the related revenues and expenses arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.

##### **Deferred Tax:**

The difference that result between the profit offered for income tax and the profit as per the financial statements are identified and thereafter a deferred tax asset or liability is recorded for timing difference namely the differences that originate in one accounting period and get reversed in another based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets/liability are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

#### **o. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any indication exists, the assets recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on the average pre-tax borrowing rate of the country where the assets are located, adjusted for risks specific to the asset. After impairment, depreciation is provided on the assets revised carrying amount over its remaining useful life. However, during the year the company has not recognized any impairment loss.

**p. Provisions and contingent liability**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**q. Cash Flow Statement**

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**r. Cash and Cash equivalents**

Cash and cash equivalents comprise of cash in hand and balances with bank and other short term deposits / investments, that are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value.

**EMPLOYEE BENEFITS**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs. In Lakhs)				
Particulars	31-12-2022	31-03-2022	31-03-2021	31-03-2020
Assumptions (Previous Period)				
Expected Return on Plan Assets	N.A.	N.A.	N.A.	0.00%
Rate of Discounting	5.66%	5.18%	5.45%	0.00%
Rate of Salary Increase	5.00%	5.00%	5.00%	0.00%
Rate of Employee Turnover	22.00% p.a. for all service groups.	22.00% p.a. for all service groups.	22.00% p.a. for all service groups.	0.00%
Mortality Rate During Employment	"Indian Assured Lives Mortality 2012-14 (Urban)			
Assumptions (Current Period)				
Expected Return on Plan Assets	N.A.	N.A.	N.A.	N.A
Rate of Discounting	7.23%	5.66%	5.18%	5.45%
Rate of Salary Increase	4.00%	5.00%	5.00%	5.00%
Rate of Employee Turnover	22.00% p.a. for all service groups.	22.00% p.a. for all service groups.	22.00% p.a. for all service groups.	22.00% p.a. for all service groups.
Mortality Rate During Employment	"Indian Assured Lives Mortality 2012-14 (Urban)			
Table Showing Change in the Present Value of Defined Benefit Obligation				
Present Value of Benefit Obligation at the Beginning of the Period	106.83	123.45	99.22	-
Interest Cost	4.53	6.39	5.41	-
Current Service Cost	22.60	47.56	34.09	99.22
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-	-	-
Past Service Cost - Vested Benefit Incurred During the	-	-	-	-

Period				
Liability Transferred In/ Acquisitions	-	-	-	-
(Liability Transferred Out/ Divestments)	-	-	-	-
(Gains)/ Losses on Curtailment	-	-	-	-
(Liabilities Extinguished on Settlement)	-	-	-	-
(Benefit Paid Directly by the Employer)	(1.58)	-	-	-
(Benefit Paid From the Fund)	-	-	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-	-	-
" Actuarial (Gains)/Losses on Obligations - Due to Change in				-
Demographic Assumptions "	-	-	-	-
" Actuarial (Gains)/Losses on Obligations - Due to Change in				-
Financial Assumptions "	(8.39)	(2.06)	1.48	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(39.35)	(68.52)	(16.75)	-
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>84.64</b>	<b>106.83</b>	<b>123.45</b>	<b>99.22</b>
<b>Table Showing Change in the Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at the Beginning of the Period	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions by the Employer	-	-	-	-
Expected Contributions by the Employees	-	-	-	-
Assets Transferred In/Acquisitions	-	-	-	-
(Assets Transferred Out/ Divestments)	-	-	-	-
(Benefit Paid from the Fund)	-	-	-	-
(Assets Distributed on Settlements)	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
<b>Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period</b>				
Actuarial (Gains)/Losses on Obligation For the Period	(47.74)	(70.58)	(15.28)	-
Actuarial (Gains)/Losses on Plan Asset For the Period	-	-	-	-
Subtotal	(47.74)	(70.58)	(15.28)	-
<b>" Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss "</b>	<b>(47.74)</b>	<b>(70.58)</b>	<b>(15.28)</b>	<b>-</b>
<b>Actual Return on Plan Assets</b>				
Expected Return on Plan Assets	-	-	-	-
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
<b>Amount Recognized in the Balance Sheet</b>				
(Present Value of Benefit Obligation at the end of the Period)	(84.64)	(106.83)	(123.45)	(99.22)
Fair Value of Plan Assets at the end of the Period	-	-	-	-
Funded Status (Surplus/ (Deficit))	(84.64)	(106.83)	(123.45)	(99.22)
Unrecognized Past Service Cost at the end of the Period	-	-	-	-
<b>Net (Liability)/Asset Recognized</b>	<b>(84.64)</b>	<b>(106.83)</b>	<b>(123.45)</b>	<b>(99.22)</b>
<b>Net Interest Cost for Current Period</b>				
Present Value of Benefit Obligation at the Beginning of the Period	106.83	123.45	99.22	-
(Fair Value of Plan Assets at the Beginning of the Period)	-	-	-	-
Net Liability/(Asset) at the Beginning	106.83	123.45	99.22	-
Interest Cost	4.53	6.39	5.41	-
(Expected Return on Plan Assets)	-	-	-	-
<b>Net Interest Cost for Current Period</b>	<b>4.53</b>	<b>6.39</b>	<b>5.41</b>	<b>-</b>
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>				
Current Service Cost	22.60	47.56	34.09	99.22

Net Interest Cost	4.53	6.39	5.41	-
Actuarial (Gains)/Losses	(47.74)	(70.58)	(15.28)	-
" Past Service Cost - Non-Vested Benefit Recognized During the Period "				-
Past Service Cost - Vested Benefit Recognized During the Period	-	-	-	-
(Expected Contributions by the Employees)	-	-	-	-
(Gains)/Losses on Curtailments And Settlements	-	-	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-	-	-
Change in Asset Ceiling	-	-	-	-
<b>Expenses Recognized in the Statement of Profit or Loss</b>	<b>(20.61)</b>	<b>(16.62)</b>	<b>24.23</b>	<b>99.22</b>
<b>Balance Sheet Reconciliation</b>				
Opening Net Liability	106.83	123.45	99.22	-
Expense Recognized in Statement of Profit or Loss	(20.61)	(16.62)	24.23	99.22
Net Liability/(Asset) Transfer In	-	-	-	-
Net (Liability)/Asset Transfer Out	-	-	-	-
(Benefit Paid Directly by the Employer)	(1.58)	-	-	-
(Employer's Contribution)	-	-	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>84.64</b>	<b>106.83</b>	<b>123.45</b>	<b>99.22</b>

## II. NOTES TO RESTATED FINANCIAL STATEMENTS:

The financial statements for the year ended on 31 March 2020, 2021 and 2022 and period ended on 31<sup>st</sup> December, 2022 respectively are prepared as per Schedule III of the Companies Act, 2013: -

### 1. Contingent liabilities and commitments (to the extent not provided for)

A disclosure for a contingent liability is usually reported in the notes to restated financial statements when there is a possible obligation that may, require an outflow of the Company's resources Refer Note Y for details

### 2. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Information regarding outstanding dues of Micro or Small Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act, the Company has been disclosed in the Note ZD1 of the enclosed financial statements.

3. Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note ZA of the enclosed financial statements.

4. Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year is as under:

(Rs.in lakhs)

Particulars	31-12-2022	31-03-2022	31-03-2021	31-03-2020
<b>Opening Balance (A)</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Opening Balance of Deferred Tax (Asset) / Liability	(68.43)	(57.63)	(33.65)	(9.95)
<b>Closing Balances (B)</b>				
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	(17.19)	(2.89)	(4.19)	4.56
(DTA) / DTL on account of gratuity provision	5.58	4.47	(6.10)	(25.80)
(DTA) / DTL on account of bonus provision	12.11	(12.39)	(13.69)	(2.45)
<b>Closing Balance of Deferred Tax (Asset) / Liability (B)</b>	<b>(67.92)</b>	<b>(68.43)</b>	<b>(57.63)</b>	<b>(33.65)</b>
<b>Current Year Provision (B-A)</b>	<b>0.51</b>	<b>(10.80)</b>	<b>(23.98)</b>	<b>(23.69)</b>

### 5. Directors' Remuneration:

(Rs.in lakhs)

Particulars	31-12-2022	31-03-2022	31-03-2021	31-03-2020
Directors' Remuneration	70.00	68.00	33.00	36.00
<b>Total</b>	<b>70.00</b>	<b>68.00</b>	<b>33.00</b>	<b>36.00</b>

**6. Auditors' Remuneration:***(Rs.in lakhs)*

Particulars	For the Year Ended			
	31-12-2022	31-03-2022	31-03-2021	31-03-2020
a. As Auditors				
Statutory & Tax Audit Fees & others	3.00	4.30	2.75	2.75
<b>Total</b>	<b>3.00</b>	<b>4.30</b>	<b>2.75</b>	<b>2.75</b>

**7. Earnings per Share:***(Amt. Rs. in Lacs, except EPS and no of shares)*

Particulars	For the Year Ended			
	31-12-2022	31-03-2022	31-03-2021	31-03-2020
A. Total Number of equity shares outstanding at the end of the year	35,64,300	35,64,300	35,64,300	35,64,300
B. Weighted average number of equity shares outstanding during the year	1,71,08,640	1,71,08,640	1,71,08,640	1,71,08,640
C. Net profit after tax	1021.55	76.54	251.34	111.77
D. Basic and Diluted earnings per share (Rs.)	5.97	0.45	1.47	0.65

8. Figures have been rearranged and regrouped wherever practicable and considered necessary.

9. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

10. The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

**11. Realizations**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

**12. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**13. Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest lacs. Figures in brackets indicate negative values.

**14. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements**

There has been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2019-20, 2020-21 and 2021-22 and for the period ended on 31-12-2022 which requires adjustments in restated financial statements.

**15. Material Adjustments**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Schedule VI and Accounting Standards.

Statement of Adjustments in the financial statements is presented here below:

**RECONCILIATION OF RESTATED PROFIT:**

(Rs. in Lakhs)

Adjustments for	As at December 31, 2022	31-Mar-2022	31-Mar-2021	31-Mar-2020
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	994.35	56.97	312.13	118.69
<b><u>Adjustments for:</u></b>				
Bonus	48.13	-49.21	-54.39	64.32
Gratuity	-	62.15	-24.23	-99.22
Short/excess Provision of deferred tax	-26.52	7.91	19.79	28.25
Short/excess Provision Of tax	5.58	-1.28	-1.95	-0.27
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>1021.55</b>	<b>76.54</b>	<b>251.34</b>	<b>111.77</b>

1.The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits

2. Due to changes in bonus and gratuity provision the deferred tax component on the same has also undergone change.

3. Provision for Taxation has been adjusted for excess or short Provision for Earlier Years and Mat Credit Availd. And Items like Income Tax related to Earlier Years preceding to financial year 2019-2020 has been disclosed separately

The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below:-

**RECONCILIATION OF EQUITY AND RESERVES:**

(Rs.in lakhs)

Particulars	As at December 31, 2022	31-Mar-2022	31-Mar-2021	31-Mar-2020
<b>Equity and Reserves as per Audited Balance sheet</b>	<b>6018.47</b>	<b>5218.82</b>	<b>5160.98</b>	<b>4861.50</b>
Adjustments for:				
Difference Due to Change in P&L	43.92	-48.13	-67.71	-6.93
<b>Equity and Reserves as per Re-stated Balance sheet</b>	<b>6062.39</b>	<b>5170.69</b>	<b>5093.27</b>	<b>4854.57</b>

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

**ANNEXURE V- NOTES TO THE RESTATED FINANCIAL INFORMATION**

**NOTE – A**  
**RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS**

*(Amt. in Rs. Lakhs, Except Share Data)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Share Capital</b>				
<b>Authorised Share Capital</b>				
Equity shares of Rs.10 each	2,50,00,000	40,00,000	40,00,000	40,00,000
Equity Share Capital	2,500.00	400.00	400.00	400.00
<b>Issued, Subscribed and Paid up Share Capital</b>				
Equity Shares of Rs. 10 each fully paid up	35,64,300	35,64,300	35,64,300	35,64,300
Share Capital (in Rs.)	356.43	356.43	356.43	356.43
<b>Total</b>	<b>356.43</b>	<b>356.43</b>	<b>356.43</b>	<b>356.43</b>
<b>Reserves and Surplus</b>				
Securities Premium	2,954.47	2,954.47	2,954.47	2,954.47
Other Reserves -Foreign currency translation reserve	0.89	0.88		
<b>Surplus in Profit and Loss account</b>				
Balance as per the last financial statements	1,729.06	1,782.37	1,543.67	1,431.90
Profit for the Year	1,021.55	76.54	251.34	111.77
Less: Prior Period items			(12.65)	
<b>Balance as at the end of Financial Year</b>	<b>5,705.96</b>	<b>4,814.25</b>	<b>4,736.84</b>	<b>4,498.14</b>

The liability of the member is limited.

Right to Dividend and Bonus on pari-passu basis.

In the event of winding up after settling creditors the surplus amount shall be paid to the equity share holders.

Right to receive notice of any general meeting and exercise the vote either by poll or on show of hands.

Right to receive the annual report of the company every year.

**The reconciliation of the number of Equity shares outstanding as at: -**

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Number of shares at the beginning	35,64,300	35,64,300	35,64,300	35,64,300
Add: Fresh Issue of shares	-	-	-	-
<b>Number of shares at the end</b>	<b>35,64,300</b>	<b>35,64,300</b>	<b>35,64,300</b>	<b>35,64,300</b>

**The detail of shareholders holding more than 5% of Shares: -**

Name of Shareholders	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Equity Shares with voting rights</b>				
Vikas Kumar Sukhlal Jain (HUF)	26,37,500	26,37,500	26,37,500	26,37,500

**(d) Details of shares held by promoters at the end of the reporting period**

Apr-22 To Dec-22			
Name of Promoter	No. of Shares held	% of Holding	% Change During the Year
Vikas kumar Sukhlal Jain (HUF)	26,37,500	74.00%	-
Praveen Kumar Sukhlal Jain	42,600	1.20%	-
Sukhlal Jain	30,000	0.84%	-
Hitesh Kumar Jain	10,000	0.28%	-
Vikas Kumar Sukhlal Jain	62,000	1.74%	-



Apr-21 To March-22			
Name of Promoter	No. of Shares held	% of Holding	% Change During the Year
Vikas kumar Sukhlal Jain (HUF)	26,37,500	74.00%	-
Praveen Kumar Sukhlal Jain	42,600	1.20%	-
Sukhlal Jain	30,000	0.84%	-
Hitesh Kumar Jain	10,000	0.28%	-
Vikas Kumar Sukhlal Jain	62,000	1.74%	-
Apr-20 To March-21			
Name of Promoter	No. of Shares held	% of Holding	% Change During the Year
Vikas kumar Sukhlal Jain (HUF)	26,37,500	74.00%	-
Praveen Kumar Sukhlal Jain	42,600	1.20%	-
Sukhlal Jain	30,000	0.84%	-
Hitesh Kumar Jain	10,000	0.28%	-
Vikas Kumar Sukhlal Jain	62,000	1.74%	-
Apr-19 To March-20			
Name of Promoter	No. of Shares held	% of Holding	% Change During the Year
Vikas kumar Sukhlal Jain (HUF)	26,37,500	74.00%	-
Praveen Kumar Sukhlal Jain	42,600	1.20%	-
Sukhlal Jain	30,000	0.84%	-
Hitesh Kumar Jain	10,000	0.28%	-
Vikas Kumar Sukhlal Jain	62,000	1.74%	-

**NOTE – B**  
**RESTATED STATEMENT OF LONG TERM BORROWINGS**

(Rs. in Lakhs)

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>(Secured)</b>				
<b>(a) Vehicle loans</b>				
HDFC Bank(Car Loan)	-	-	3.73	14.26
ICICI Bank(Car Loan)	10.10	-	-	-
Sub-total (a)	10.10	-	3.73	14.26
<b>(b) Term loans</b>				
Canara Bank	840.72	713.63	490.00	-
Sub-total (b)	840.72	713.63	490.00	-
<b>(c) Loans and advances from related parties &amp; shareholders (Unsecured)</b>				
From Related Parties, Directors & Shareholders	1,757.22	2,445.28	2,547.25	2,391.25
Sub-total (c)	1,757.22	2,445.28	2,547.25	2,391.25
<b>Total (a+b+c)</b>	<b>2,608.04</b>	<b>3,158.91</b>	<b>3,040.98</b>	<b>2,405.51</b>

**Notes:**

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)

**NOTE B (A) RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

Name of Lender	Purpose	Sanctioned Amount (In Lacs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.12.2022 as per Books (In Lakhs)	Outstanding amount as on 31.03.2022 as per Books (In Lakhs)	Outstanding amount as on 31.03.2021 as per Books (In Lakhs)	Outstanding amount as on 31.03.2020 as per Books (In Lakhs)
Canara Bank	Working Capital Loan	4,000.00	10.80%	Refer details below	Repayable On Demand	3,118.90	3,258.63	2,141.40	1,510.54
Canara Bank	(GECL) Working Capital Term Loan	340.00	7.50%	Refer details below	Monthly EMI of Rs.9.44/- (In Lakhs) Starting from February -22 to March-24	236.11	321.11	340.00	-
Canara Bank	Working Capital Term Loan	150.00	7.65%	Refer details below	Monthly EMI of Rs.8.33/- (In Lakhs) Starting from April-21 to September-22	-	50.00	150.00	-
Canara Bank	(GECL) Working Capital Term Loan	347.00	7.50%	Refer details below	It Is Under Moratorium And Repayment Will Start From Oct. 23	347.00	347.00	-	-
Canara Bank	(Term Loan) Factory Construction Loan	1,500.00	10.80%	Refer details below	It Is Under Moratorium And Repayment Will Start From Jan 23	558.14	260.79	-	-
ICICI Bank	Car Loan	21.00	9.25%	Hypothecation of Vehicle	Monthly EMI of Rs.0.67/- (In Lakhs) Starting	16.90	-	-	-

Name of Lender	Purpose	Sanctioned Amount (In Lacs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.12.2022 as per Books (In Lakhs)	Outstanding amount as on 31.03.2022 as per Books (In Lakhs)	Outstanding amount as on 31.03.2021 as per Books (In Lakhs)	Outstanding amount as on 31.03.2020 as per Books (In Lakhs)
					from May-22 to April - 25				
HDFC Bank	Car Loan	29.77	11.53%	Hypothecation of Vehicle	Monthly EMI of Rs.0.95/- (In Lakhs) Starting from August-19 to July-22	-	3.73	14.26	23.86
<b>TOTAL</b>						<b>4,277.05</b>	<b>4,241.26</b>	<b>2,645.66</b>	<b>1,534.40</b>

#### Primary Security:-

Working capital	Hypothecation of stocks and Book Debts
Term loan	Continuing EMT of lease hold rights of industrial land located at Plot No 503,504,505 situated in 2nd phase of Vasanthapura Industrial Estate in the industrial area comprised in Sy No 96 within the village limits of Yelladadlu Village, Kora Hobli Tumakuru Taluk, Tumakura District formed by the Karnataka Industrial Areas Development Board totally measuring 5822 sq mtrs (626522 sq ft/ 14.38 acres) standing in the name of company-M/s Greenchef Appliances Ltd.
	Projected cost of construction as per PFD report

#### Collateral Security

Equitable Mortgage over the following properties:

- Continuing EMT of lease hold rights of industrial land located at plot No. 503, 504, 505 situated in 2nd phase of Vasanthapura Industrial area comprised in Sy No. 96 within the village limits of Yelladadlu Village, Kora Hobli, Tumakur Taluk, Tumakur District formed by the Karnataka Industrial Areas Development Board totally measuring 58227 sq. mtrs. (626522 sq. ft. / 14.38 acres) standing in the name of the company- M/s Greenchef Appliances Ltd.
- Continuing EMT of lease hold rights of industrial plot bearing no. 79 in the industrial area comprised in survey No. 10 & 11 of Bharatipura Village, Somanahalli Hobli, Nelamangala Taluk, Bangalore -562123, Bangalore Rural District formed by the KIADB and known as somapura industrial Area - I stage near Dabaspet. Site in all measures 5311 Sq. Meters or 57146.36 Sq. ft. standing in the name of M/s Greenchef Appliances Ltd.
- Continuing EMT of industrial property at mouja Up Mohal Naryal Khasra No. 454/423, Kasauli Road, Parwanoo Tehsil Kasauli, Solan District, Himachal Pradesh state in the name of M/s. Greenchef Manufacturers and Distributors Pvt Ltd.
- Fresh MODTD of property bearing No 19. old No.37/1(PID No. 55-642-19)1st 'A' Cross, Gowdanapalya, subramanayapura Main Road, Kadirenahalli BMP Ward No. 55 Uttarahalli Hobli, Bangalore East to West 30 Feet, North to South 48.3 feet, total measuring 1448 sq. ft. along with 1100 sq. ft. non-residential building constructed therein and bounded on. East By: Passage and remaining portion of same property. North by: Road. South: Galli. Property Owned By Nirmala Devi.
- Hypothecation of Plant & Machinery.

**Personal Guarantee** of 1. Mr. Sukhlal Jain 2. Mr. Praveen Kumar Sukhlal Jain 3. Mr. Vikas Kumar Sukhlal Jain 4. Mr. Hitesh Jain 5. Mr Ashok Jain 6. Smt. Kavitha Kumari 7. Smt. Manju Jain 8. Smt. Neeta Jain 9. Smt. Nirmala Devi 10. Smt. Pooja Jain.

**Corporate Guarantee** of M/s Greenchef Manufacturers & distributors Private limited.

**NOTE B(B) STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

(Amt. Rs. in Lacs)

Name of Lender	Purpose	Re-Payment Schedule	Rate of Interest	31-12-2022	Rate of Interest	31-03-2022	Rate of Interest	31-03-2021	Rate of Interest	31-03-2020
Subhash Distributors Ltd	Business Loan	Tenure ended 2022-23			8.00%	900.00	8.00%	450.00	9.00%	600.00
<b>TOTAL</b>				-						
<b>FROM DIRECTORS:</b>										
-										
Sukhlal Jain	Business Loan	Not repayable before 1 year from the balance sheet date	6.00%	175.37	8.00%	168.52	8.00%	160.00	9.00%	158.00
Nirmala Devi	Business Loan		6.00%	167.81	8.00%	161.25	8.00%	152.75	9.00%	143.00
Praveen Kumar Sukhlal Jain	Business Loan		6.00%	222.95	8.00%	321.41	8.00%	226.50	9.00%	174.00
Neeta Jain	Business Loan		6.00%	81.17	8.00%	78.00	8.00%	78.00	9.00%	74.50
Kavitha Kumari	Business Loan		6.00%	182.95	8.00%	177.50	8.00%	167.00	9.00%	159.00
Vikas Kumar Sukhlal Jain	Business Loan		6.00%	210.06	8.00%	-	8.00%	643.50	9.00%	534.25
Hitesh Kumar Jain	Business Loan		6.00%	319.55	8.00%	247.50	8.00%	224.50	9.00%	215.00
Manju Jain	Business Loan		6.00%	181.12	8.00%	177.50	8.00%	181.50	9.00%	169.00
Pooja Jain	Business Loan		6.00%	130.12	8.00%	127.50	8.00%	121.50	9.00%	114.50
M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain HUF)	Business Loan		-	86.10	-	86.10	-	88.50	-	
Ashok kumar Jain	Business Loan	Tenure ended 2020-21	-	-	-	-	8.00%	53.50	9.00%	50.00
<b>GRAND TOTAL</b>				<b>1,757.21</b>		<b>2,445.28</b>		<b>2,547.25</b>		<b>2,391.25</b>

**NOTE – C: RESTATED STATEMENT OF OTHER LONG TERM LIABILITIES**

(Rs. in Lakhs)

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
C&F Deposits	420.85	256.18	251.00	316.95
<b>Total</b>	<b>420.85</b>	<b>256.18</b>	<b>251.00</b>	<b>316.95</b>

**NOTE – D: RESTATED STATEMENT OF LONG TERM PROVISIONS***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Long Term Provisions</b>				
Provision for Gratuity	68.15	95.50	113.33	91.68
<b>Total</b>	<b>68.15</b>	<b>95.50</b>	<b>113.33</b>	<b>91.68</b>

**NOTE – E: RESTATED STATEMENT OF SHORT TERM BORROWINGS***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Secured (Payable within 12 months)</b>				
Current Maturity of Term Loan	300.53	265.27		-
<b>Loan Repayable on Demand</b>				
From Banks				
Canara Bank OD A/c	3,118.90	3,258.63	2,141.40	1,510.55
<b>Sub total</b>	<b>3,118.90</b>	<b>3,258.63</b>	<b>2,141.40</b>	<b>1,510.55</b>
<b>Total</b>	<b>3,419.43</b>	<b>3,523.90</b>	<b>2,141.40</b>	<b>1,510.55</b>

Note:

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)

**NOTE – F: RESTATED STATEMENT OF TRADE PAYABLES***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Trade Payables</b>				
For Assets	-			
Micro, Small and Medium Enterprises	1.58	4.74	-	0.28
Other than Micro, Small and Medium Enterprises	12.47	12.54	11.90	6.91
For Goods & Expenses	-			
Micro, Small and Medium Enterprises	4,032.33	2,475.71	707.16	1,289.93
Other than Micro, Small and Medium Enterprises	2,382.75	2,190.60	1,954.71	1,499.56
<b>Total</b>	<b>6,429.12</b>	<b>4,683.60</b>	<b>2,673.77</b>	<b>2,796.68</b>

Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

**NOTE – G: RESTATED STATEMENT OF OTHER CURRENT LIABILITIES***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Other Current Liabilities</b>				
Vehicle Loan - Car	6.80	3.73	10.53	9.60
Advanced From Customers	111.45	107.40	117.02	53.73
Statutory Remittances	84.42	136.07	53.51	83.69
Others	781.48	581.17	458.79	252.30

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Total</b>	<b>984.16</b>	<b>828.37</b>	<b>639.84</b>	<b>399.31</b>

**NOTE – H: RESTATED STATEMENT OF SHORT TERM PROVISIONS**

*(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Short Term Provisions</b>				
Provision for Income Tax	321.00	45.88	85.98	-
Provision for Gratuity	16.49	11.33	10.12	7.54
<b>Total</b>	<b>337.49</b>	<b>57.20</b>	<b>96.09</b>	<b>7.54</b>

**NOTE – I: RESTATED STATEMENT OF PROPERTY PLANT AND EQUIPMENT**

**FY 2019-20**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr- 19	Additions during the year	Deletions during the year	As at 31-Mar- 20	Upto 01-Apr-19	During the year	Deletion during the year	Total upto 31-Mar- 20	As at 31-Mar- 20	As at 31-Mar- 19
<b><u>Property, Plant and Equipment</u></b>										
<b><u>Tangible Assets</u></b>										
Plant & Machinery	1,208.17	242.05	246.02	1,204.20	450.66	162.58	137.05	476.19	728.01	757.51
Furnitures and Fixures	42.54	16.05	-	58.59	28.78	7.08	-	35.86	22.74	13.77
Office Equipments	17.15	14.73	0.01	31.86	15.10	3.46	0.01	18.55	13.31	2.05
Computer	32.80	4.71	0.36	37.14	23.39	7.11	0.20	30.29	6.85	9.41
Factory Building	28.14	-	-	28.14	20.29	2.03	-	22.32	5.82	7.86
Vehicle	22.88	33.47	2.15	54.20	11.37	10.88	1.25	21.00	33.19	11.50
Free hold Land	394.95	-	-	394.95	-	-	-	-	394.95	103.49
Lease hold land	996.43	-	-	996.43	-	-	-	-	996.43	996.43
Bulding Farm house	29.85			29.85					29.85	29.85
<b><u>Sub Total A</u></b>	<b>2,772.91</b>	<b>311.01</b>	<b>248.55</b>	<b>2,835.37</b>	<b>549.58</b>	<b>193.13</b>	<b>138.50</b>	<b>604.22</b>	<b>2,231.15</b>	<b>1,931.86</b>
Capital Work in Progress										
Vasanaraspura - tumkur	-	22.71	-	22.71	-	-	-	-	22.71	-
<b><u>Sub Total B</u></b>	<b>-</b>	<b>22.71</b>	<b>-</b>	<b>22.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22.71</b>	<b>-</b>
Intangible assets										
Computer Software	-	1.05	-	1.05	-	0.17	-	0.17	0.88	-
<b><u>Sub Total C</u></b>	<b>-</b>	<b>1.05</b>	<b>-</b>	<b>1.05</b>	<b>-</b>	<b>0.17</b>	<b>-</b>	<b>0.17</b>	<b>0.88</b>	<b>-</b>
<b><u>Grand Total (A+B+C)</u></b>	<b>2,772.91</b>	<b>334.76</b>	<b>248.55</b>	<b>2,859.12</b>	<b>549.58</b>	<b>193.30</b>	<b>138.50</b>	<b>604.38</b>	<b>2,254.74</b>	<b>1,931.86</b>
<b><u>Previous Year</u></b>	2,440.65	361.82	29.55	2,772.91	391.99	167.47	9.88	549.58	2,223.33	2,048.66

*F.Y. 2020-21*

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr- 20	Additions during the year	Deletions during the year	As at 31-Mar- 21	Upto 01-Apr-20	During the Period	Deletion during the period	Total upto 31-Mar- 21	As at 31-Mar- 21	As at 31-Mar- 20
<b><u>Property, Plant and Equipment</u></b>										
Tangible Assets										
Plant & Machinery	1,204.20	112.95	143.63	1,173.52	476.19	127.11	66.74	536.55	636.96	728.01
Furnitures and Fixures	58.59	0.61	-	59.20	35.86	6.00	-	41.86	17.34	22.74
Office Equipments	31.86	2.47	-	34.33	18.55	6.04	-	24.58	9.75	13.31
Computer	37.14	39.96	1.83	75.28	30.29	10.25	1.73	38.81	36.47	6.85
Factory Building	28.14	-	-	28.14	22.32	1.51	-	23.83	4.31	5.82
Vehicle	54.20	-	-	54.20	21.00	10.37	-	31.37	22.83	33.19
Free hold Land	394.95	30.49	-	425.44	-	-	-	-	425.44	103.49
Lease hold land	996.43	65.98	-	1,062.41	-	-	-	-	1,062.41	996.43
Building Farm house	29.85		-	29.85					29.85	29.85
<b>Sub Total A</b>	<b>2,835.37</b>	<b>252.46</b>	<b>145.45</b>	<b>2,942.38</b>	<b>604.22</b>	<b>161.27</b>	<b>68.48</b>	<b>697.01</b>	<b>2,245.37</b>	<b>1,939.69</b>
Capital Work in Progress										
Vasanaraspura - tumkur	22.71	1.68	-	24.39	-	-	-	-	24.39	22.71
<b>Sub Total B</b>	<b>22.71</b>	<b>1.68</b>	<b>-</b>	<b>24.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.39</b>	<b>22.71</b>
Intangible assets										
Computer Software	1.05	9.57	-	10.62	0.17	2.45	-	2.62	8.00	0.88
<b>Sub Total C</b>	<b>1.05</b>	<b>9.57</b>	<b>-</b>	<b>10.62</b>	<b>0.17</b>	<b>2.45</b>	<b>-</b>	<b>2.62</b>	<b>8.00</b>	<b>0.88</b>
<b>Grand Total (A+B+C)</b>	<b>2,859.12</b>	<b>263.72</b>	<b>145.45</b>	<b>2,977.39</b>	<b>604.38</b>	<b>163.72</b>	<b>68.48</b>	<b>699.63</b>	<b>2,277.76</b>	<b>1,963.27</b>
Previous Year	2,772.91	334.76	248.55	2,859.12	549.58	193.30	138.50	604.38	2,254.74	1,931.86



**F.Y. 2021-22**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-21	Additions during the year	Deletions during the year	As at 31-Mar-22	Upto 01-Apr-21	During the Period	Deletion during the period	Total upto 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21
<b><u>Property, Plant and Equipment</u></b>										
Plant & Machinery	1,173.52	1,029.66	98.88	2,104.29	536.55	217.15	45.42	708.29	1,396.00	636.96
Furnitures and Fixtures	59.20	8.59	-	67.79	41.86	6.24	-	48.10	19.70	17.34
Office Equipments	34.33	3.86	-	38.19	24.58	5.06	-	29.64	8.55	9.75
Computer	75.28	9.88	28.09	57.06	38.81	6.47	-	45.28	11.78	36.47
Factory Building	28.14	0.33	-	28.47	23.83	1.18	-	25.01	3.47	4.31
Vehicle	54.20	7.94	-	62.13	31.37	8.85	-	40.22	21.91	22.83
Free hold Land	425.44	-	-	425.44	-	-	-	-	425.44	103.49
Lease hold land	1,062.41	-	-	1,062.41	-	-	-	-	1,062.41	1,064.09
Building Farm house	29.85			29.85					29.85	29.85
<b><u>Sub Total A</u></b>	<b>2,942.38</b>	<b>1,060.25</b>	<b>126.97</b>	<b>3,875.66</b>	<b>697.01</b>	<b>244.95</b>	<b>45.42</b>	<b>896.54</b>	<b>2,979.12</b>	<b>1,925.09</b>
Capital Work in Progress								-		
Vasanarasapura - tumkur	24.39	259.11	-	283.49				-	283.49	22.71
<b><u>Sub Total B</u></b>	<b>24.39</b>	<b>259.11</b>	<b>-</b>	<b>283.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>283.49</b>	<b>22.71</b>
Intangible assets										
Computer Software	10.62	0.52	-	11.15	2.62	5.16	-	7.77	3.37	8.00
<b><u>Sub Total C</u></b>	<b>10.62</b>	<b>0.52</b>	<b>-</b>	<b>11.15</b>	<b>2.62</b>	<b>5.16</b>	<b>-</b>	<b>7.77</b>	<b>3.37</b>	<b>8.00</b>
Intangible assets under development										
Computer Software	-	56.45		56.45					56.45	-
<b><u>Sub Total D</u></b>	<b>-</b>	<b>56.45</b>	<b>-</b>	<b>56.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.45</b>	<b>-</b>
<b><u>Grand Total (A+B+C+D)</u></b>	<b>2,977.39</b>	<b>1,376.33</b>	<b>126.97</b>	<b>4,226.75</b>	<b>699.63</b>	<b>250.10</b>	<b>45.42</b>	<b>904.31</b>	<b>3,322.43</b>	<b>1,955.80</b>
Previous Year	2,859.12	263.72	145.45	2,977.39	604.38	163.72	68.48	699.63	2,277.76	1,963.27

**F.Y. 2022-23 (Apr-22 to dec 22)**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-22	Additions during the year	Deletions during the year	As at 31-Dec-22	Upto 01-Apr-22	During the Period	Deletion during the period	Total upto 31-Dec-22	As at 31-Dec-22	As at 31-Mar-22
<b><u>Property, Plant and Equipment</u></b>										
Plant & Machinery	2,104.29	413.48	12.72	2,505.06	708.29	217.24	3.31	922.22	1,582.84	1,396.00
Furnitures and Fixtures	67.79	32.90	-	100.69	48.10	7.47	-	55.57	45.12	19.70
Office Equipments	38.19	1.21	-	39.40	29.64	2.92	-	32.56	6.84	8.55
Computer	56.69	8.53	-	65.23	44.93	7.93	-	52.86	12.37	11.76
Factory Building	28.47	-	-	28.47	25.01	0.68	-	25.68	2.79	3.47
Vehicle	62.13	36.00	-	98.13	40.22	9.87	-	50.09	48.05	21.91
Free hold Land	103.49	-	-	103.49	-	-	-	-	103.49	103.49
Lease hold land	1,062.41	-	-	1,062.41	-	-	-	-	1,062.41	1,062.41
<b><u>Sub Total A</u></b>	<b>3,523.48</b>	<b>492.12</b>	<b>12.72</b>	<b>4,002.88</b>	<b>896.19</b>	<b>246.11</b>	<b>3.31</b>	<b>1,138.98</b>	<b>2,863.90</b>	<b>2,627.29</b>
Capital Work in Progress								`		
Vasanaraspura - tumkur	283.49	486.45	-	769.95	-			-	769.95	283.49
<b><u>Sub Total B</u></b>	<b>283.49</b>	<b>486.45</b>	<b>-</b>	<b>769.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>769.95</b>	<b>283.49</b>
Intangible assets										
Computer Software	11.15	1.09	-	12.23	7.77	1.84	-	9.61	2.62	3.37
<b><u>Sub Total C</u></b>	<b>11.15</b>	<b>1.09</b>	<b>-</b>	<b>12.23</b>	<b>7.77</b>	<b>1.84</b>	<b>-</b>	<b>9.61</b>	<b>2.62</b>	<b>3.37</b>
Intangible assets under development										
Computer Software	56.45	37.82		94.27	-				94.27	56.45
<b><u>Sub Total D</u></b>	<b>56.45</b>	<b>37.82</b>	<b>-</b>	<b>94.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94.27</b>	<b>56.45</b>
<b><u>Grand Total (A+B+C+D)</u></b>	<b>3,874.56</b>	<b>1,017.49</b>	<b>12.72</b>	<b>4,879.33</b>	<b>903.96</b>	<b>247.95</b>	<b>3.31</b>	<b>1,148.59</b>	<b>3,730.74</b>	<b>2,970.60</b>
Previous Year	2,977.39	1,376.33	126.97	4,226.75	699.63	250.10	45.42	904.31	3,322.43	1,955.80

Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE- J: RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES***(Amt. Rs. in Lacs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Opening Balance (A)</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Opening Balance of Deferred Tax (Asset) / Liability	(68.43)	(57.63)	(33.65)	(9.95)
<b>Closing Balances (B)</b>				
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	(17.19)	(2.89)	(4.19)	4.56
(DTA) / DTL on account of gratuity provision	5.58	4.47	(6.10)	(25.80)
(DTA) / DTL on account of bonus provision	12.11	(12.39)	(13.69)	(2.45)
<b>Closing Balance of Deferred Tax (Asset) / Liability (B)</b>	<b>(67.92)</b>	<b>(68.43)</b>	<b>(57.63)</b>	<b>(33.65)</b>
<b>Current Year Provision (B-A)</b>	<b>0.51</b>	<b>(10.80)</b>	<b>(23.98)</b>	<b>(23.69)</b>

**NOTE- K: RESTATED STATEMENT OF OTHER NON CURRENT ASSETS***(Amt. Rs. in Lacs)*

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Security Deposits</b>	<b>224.70</b>	<b>170.77</b>	<b>204.52</b>	<b>122.07</b>
<b>Total</b>	<b>224.70</b>	<b>170.77</b>	<b>204.52</b>	<b>122.07</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE- L: RESTATED STATEMENT OF TRADE RECEIVABLES***(Amt. Rs. in Lacs)*

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Trade Receivables</b>				
<b>Unsecured Considered good</b>				
Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
Dues From Directors, Related parties/Common Group Company, etc.	178.31	0.09	0.23	36.56
Others	486.32	541.27	507.28	694.08
<b>Sub Total (A)</b>	<b>664.63</b>	<b>541.36</b>	<b>507.51</b>	<b>730.64</b>
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)				
Dues From Directors, Related parties/Common Group Company, etc.	-	-	-	-
Others	6,115.40	5,935.37	5,479.16	5,163.50
<b>Sub Total (B)</b>	<b>6,115.40</b>	<b>5,935.37</b>	<b>5,479.16</b>	<b>5,163.50</b>
<b>Total</b>	<b>6,780.03</b>	<b>6,476.74</b>	<b>5,986.67</b>	<b>5,894.14</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**NOTE – M: RESTATED STATEMENT OF CASH & CASH EQUIVALENTS***(Rs. in Lakhs)*

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Cash and Cash Equivalents</b>				
Cash on Hand	6.37	13.95	4.80	5.13
<b>Balances with Banks in Current Accounts</b>	39.19	85.10	96.64	12.94
<b>Other Bank Balances</b>	74.27	82.27	45.96	45.67
<b>Total</b>	<b>119.84</b>	<b>181.32</b>	<b>147.40</b>	<b>63.75</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – N: RESTATED STATEMENT OF INVENTORIES***(Rs. in Lakhs)*

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Stock of Raw Material and Stock in Trade</b>				
Raw Material (Incl Stock in transit)	3851.93	2,899.99	1,142.10	1,047.16
Finished Goods (Incl Stock in transit)	4615.08	3,806.41	3,133.79	2,563.11
<b>Total</b>	<b>8,467.01</b>	<b>6,706.40</b>	<b>4,275.89</b>	<b>3,610.27</b>

**NOTE – O: RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES***(Rs. in Lakhs)*

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Unsecured, Considered Good unless otherwise stated</b>				
Balances dues from Government Authority	427.76	646.60	316.32	282.63
Advances to related parties	6.13			
Other Loans and Advances (Unsecured and considered good)	505.50	380.89	957.20	301.65
<b>Total</b>	<b>939.38</b>	<b>1,027.49</b>	<b>1,273.52</b>	<b>584.28</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – P: RESTATED STATEMENT OF REVENUE FROM OPERATIONS***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Sale of Products Indigenous	25,455.44	33,229.15	23,749.37	23,533.05
Sale of Products Export	27.34	349.33	149.74	221.48
<b>Total</b>	<b>25,482.78</b>	<b>33,578.47</b>	<b>23,899.10</b>	<b>23,754.52</b>

**NOTE – Q: RESTATED STATEMENT OF OTHER INCOME***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Currency Rate Difference	-	67.59	20.09	22.99
Insurance Claim Receivable		38.66		-
Delay payment charges		6.02		9.46
Profit on Sale of Property, plant & equipments		6.78		9.14
Profit on sale of Investment	149.00			
Rental Income		-		1.08
Duty Drawback Received		-	8.24	4.10
Interest income	1.69	7.01	1.90	5.05
Miscellaneous income		-		0.84
<b>Total</b>	<b>150.69</b>	<b>126.05</b>	<b>30.22</b>	<b>52.65</b>

**NOTE – R: RESTATED STATEMENT OF RAW MATERIAL CONSUMPTION***(Rs. in Lakhs)*

Particulars	As, At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Opening Stock of Raw Material	2,887.23	1,106.10	1,043.79	1,243.62
Purchase of Materials	14,131.92	20,493.15	12,998.86	9,436.26
Carriage inwards	138.55	161.65	234.61	125.25
Less: Closing stock of Raw Material	(3,850.86)	(2,888.01)	(1,106.10)	(1,043.79)
<b>Total</b>	<b>13,306.84</b>	<b>18,872.89</b>	<b>13,171.16</b>	<b>9,761.35</b>

**NOTE – S: RESTATED STATEMENT OF PURCHASE OF STOCK IN TRADE***(Rs. in Lakhs)*

Particulars	As, At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b>Purchase of Trading Goods</b>	<b>3,265.09</b>	<b>4,015.47</b>	<b>3,835.91</b>	<b>6,773.86</b>
<b>Customs Clearing and Forwarding</b>	<b>66.36</b>	<b>181.79</b>	<b>177.23</b>	<b>127.84</b>
<b>Total</b>	<b>3,331.45</b>	<b>4,197.26</b>	<b>4,013.14</b>	<b>6,901.70</b>

**NOTE – T: RESTATED STATEMENT OF CHANGE IN INVENTORIES***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Opening Balance of Stock				
(i) Finished Goods	3,697.64	3,075.71	2,556.70	1,466.88
<b>Total</b>	<b>3,697.64</b>	<b>3,075.71</b>	<b>2,556.70</b>	<b>1,466.88</b>
Less: Closing Balance of Stock				
(i) Finished Goods	4,364.22	3,697.64	3,075.71	2,556.70
<b>Total</b>	<b>4,364.22</b>	<b>3,697.64</b>	<b>3,075.71</b>	<b>2,556.70</b>
<b>Increase/(Decrease) in Stock</b>	<b>(666.58)</b>	<b>(621.93)</b>	<b>(519.01)</b>	<b>(1,089.81)</b>

**NOTE – U: RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Salary and Wages	2,393.96	2,985.74	1,685.45	2,071.47
Bonus	64.92	114.46	63.84	9.44
Remuneration to Directors	70.00	68.00	33.00	36.00
Employers Contribution To ESI	37.87	40.64	25.62	30.61
Employers Contribution To PF	175.63	176.89	104.11	110.19
labour Welfare Fund	0.93	0.44	0.38	0.24
Gratuity	(20.61)	(16.62)	24.23	99.22
Staff Welfare Expenses	117.52	138.94	42.11	48.73
<b>Total</b>	<b>2,840.22</b>	<b>3,508.50</b>	<b>1,978.74</b>	<b>2,405.90</b>

**NOTE – V: RESTATED STATEMENT OF FINANCE COST***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Interest on bank loan	43.33	48.60	11.58	24.84
Interest on Bank Overdraft	201.90	248.93	129.01	193.38
Interest on loan from related parties	69.69	180.74	191.46	186.19
Interest on loan from Others	6.00	10.13	17.00	23.00
Bank Charges	21.55	64.40	31.92	13.79
<b>Total</b>	<b>342.47</b>	<b>552.81</b>	<b>380.97</b>	<b>441.21</b>

**NOTE – W: RESTATED STATEMENT OF DEPRECIATION & AMORTISATION***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Depreciation and Amortisation Expenses	247.95	250.10	163.72	193.30
<b>Total</b>	<b>247.95</b>	<b>250.10</b>	<b>163.72</b>	<b>193.30</b>

**NOTE – X: RESTATED STATEMENT OF OTHER EXPENSES***(Rs. in Lakhs)*

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
<b><u>Manufacturing Expense</u></b>				
Consumables	148.24	56.12	43.05	25.59
Job Work Charges	512.55	569.99	158.99	318.98
Power & Fuel	223.12	305.30	136.00	176.85
Repair & Maintainance - Machinery	76.11	128.64	13.83	41.39
Clearing and Forwarding Charges	60.17	266.45	127.01	31.39
BIS Expenses & Others	66.15	52.19	21.35	83.33
Customs Duty	110.93	491.16	449.03	266.94

Particulars	As At			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Royalty Charges	21.84	26.56	15.67	3.62
<b>Total</b>	<b>1,219.12</b>	<b>1,896.41</b>	<b>964.93</b>	<b>948.10</b>
<b><u>Administrative Expense</u></b>				
Audit Fees	3.00	4.30	2.75	2.75
Annual Service Contract		-	-	0.70
Bad Debts	17.85	65.90	31.00	52.93
Business Promotion	189.70	151.30	136.09	213.64
Computer Maintenance	2.24	1.91	1.25	2.58
Communication Cost	10.96	25.29	12.30	13.60
Conveyance	10.15	10.92	10.19	12.81
Courier Charges	14.56	21.12	10.89	7.71
Crane Hire Charges	5.15	6.83	4.04	5.70
Currency Rate Difference	3.22			
Delay Payment Charges	6.75		3.07	
Electricity Charges		-	0.02	0.41
Insurance charges	13.90	16.39	11.12	8.79
Incentive, Schemes & Discount Paid (Net)	712.99	710.16	761.50	986.01
Online marketplace Charges	180.23	706.17	425.47	115.86
Office Expenses	32.27	43.45	30.33	37.82
Lab Expenses	3.74	0.91	0.36	3.06
Loss on sale of tangible assets	1.72		2.46	
Liquidated Damages		-	-	8.00
Miscellaneous Expenses	0.96	4.46	3.70	1.04
CSR Expenses	16.68	7.95	2.21	
Packing Materials Charges	2.04	80.41	17.02	8.22
Printing & Stationery	11.08	11.02	6.83	7.89
Profession & Consultancy Charges	59.09	75.23	50.68	46.75
Rates & Taxes	86.72	33.35	27.32	74.60
Recruitment Charges	0.61	0.41	0.27	0.68
Rent paid	259.71	266.47	106.87	168.38
Repairs & Maintenance	19.17	55.92	31.36	11.99
Repair & Maintenance - Building	25.93	59.54	15.12	26.85
Rounding Off		-	0.15	0.04
Security Charges	26.09	36.59	20.15	31.02
Service Charges - franchise	76.94	105.83	58.75	28.39
Travelling Expenses	203.58	213.97	178.04	211.28
Website Maintenance Charges	10.00	14.47	9.69	1.54
Vehicle Maintenance	29.26	29.48	17.89	9.82
<b>Total</b>	<b>2,036.30</b>	<b>2,759.76</b>	<b>1,988.93</b>	<b>2,100.85</b>
<b><u>Selling &amp; Distribution Expense</u></b>				
Advertisement Expenses	336.86	261.52	87.24	544.43
Commission (Net)	708.31	1,220.52	1,043.47	1,022.04
Frieght outword Expenses	586.94	690.55	280.24	446.21
<b>Total</b>	<b>1,632.12</b>	<b>2,172.58</b>	<b>1,410.95</b>	<b>2,012.68</b>
<b>Grand Total</b>	<b>4,887.53</b>	<b>6,828.75</b>	<b>4,364.82</b>	<b>5,061.62</b>

**NOTE – Y: RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES**
*(Rs. in Lakhs)*

Particulars	As at			
	31-12-2022	31-03-2022	31-03-2021	31-03-2020
Contingent liabilities in respect of:				
In Respect of legal matter involving indirect taxes	84.36	84.36	19.96	9.36
In respect of Bank Guarantee issued by company	130.00	130.00	130.00	130.00
In respect of TDS & Income Tax matters	3.97	3.85	3.47	3.47
<b>Total</b>	<b>218.33</b>	<b>218.21</b>	<b>153.43</b>	<b>142.83</b>

**NOTE – Z: RESTATED STATEMENT OF TAX SHELTER**
*(Rs. in Lakhs)*

Particulars	As at			
	31-12-2022	31-03-2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Restated profit before tax as per books (A)	1,343.60	116.14	375.79	131.91
Tax Rates				
Income Tax Rate (%)	25.17%	25.17%	25.17%	26.00%
Minimum Alternative Tax Rate (%)				16.69%
Adjustments :				
Income Considered Separately	149			-
<b>Disallowed (B)</b>	<b>-51.91</b>	<b>49.46</b>	<b>106.67</b>	<b>26.66</b>
Loss / (Profit) on sale of property, plant & equipment	1.72	-6.78	2.46	-8.29
Gratuity Provision Disallowed		0.00	24.23	99.22
Bonus Provision Disallowed	64.92	113.05	63.84	9.44
Bonus payment - allowed on payment basis	-113.05	-63.84	(9.44)	(73.71)
Gratuity payment - allowed on payment basis	-1.58	-1.15		
Reversal of excess Gratuity provision	-20.61	-16.62		
Disallowance for EPF delay (Employee)			18.46	
Disallowance for ESIC delay (Employee)			0.91	
Disallowance for LWF delay (Employee)		0.15		
Penalty		7.26		
CSR	16.68	7.95	2.21	
Business Development Expenses		9.43	4.01	
<b>Timing Difference ( C )</b>				
Book Depreciation	247.95	250.10	163.72	193.07
Income Tax Depreciation allowed	218.14	237.51	133.93	199.35
Total Timing Difference	29.81	12.60	29.79	(6.27)
Net Adjustment D= (B+C)	(171.10)	62.05	136.46	20.39
Tax Expenses -				-
Income from Capital Gains (E)	115.595			-
Income from Other Sources				-
Bank Interest				-
Income from other sources (F)				-
Deduction under chapter VI (G)			42.25	42.25
Taxable Income/(Loss) (A+D+E+F-G)	1,288.09	178.19	470.00	110.05
Brought Forward Loss/Depreciation				-
Carried Forward Loss/Depreciation				-
Income Tax on Above	321.54	44.85	118.29	28.61



MAT on Book Profit	NA		NA	22.02
Interest on income tax			13.37	
Deficit/ (Excess) provision of earlier years				2.60
Total Tax	321.54	44.85	131.66	31.21
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

## NOTE – ZA: RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS

### 2. List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr. No.	Name of the Person / Entity	Relation
1	Sukhlal Jain	Chairman and whole time Director
2	Nirmala Devi	Director (Ceased to be director w.e.f June 30,2021)
3	Praveen Kumar Sukhlal Jain	Managing Director
4	Neeta Jain	Director (Ceased to be director w.e.f June 30,2021)
5	Kavitha Kumari	Additional Non-Executive Director
6	Vikas Kumar Sukhlal Jain	Whole time Director
7	Hitesh Kumar Jain	Whole time Director
8	Ashok Kumar Jain	Director (Ceased to be director w.e.f Jan 15,2022)
9	Manju Jain	Director (Ceased to be director w.e.f June 24,2021)
10	Pooja Jain	Director (Ceased to be director w.e.f June 30,2021)
11	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain)	Proprietor is Promoter of the company
12	Ganga Consumer Durables Ltd	Common Directors
13	Subhash Distributors Limited	Common Directors
14	Subhashini Biz Ventures Private Limited	Common Directors
15	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain HUF)	Proprietor is Promoter of the company
16	Greenchef Manufacturers and Distributors Private Limited	Common Directors (ceased to be Subsidiary w.ef November 15, 2022)
17	Vikas Kumar Sukhlal Jain HUF	Substantial Holding of Shares
18	Mamtha Jain	Shareholder ( Promoter Group)
19	Bharathi H S	Joint CFO
20	Abhay Jain	CFO
21	Sukhlal Ashok Kumar Jain	Proprietor is Director of Company
22	Sunder Enterprises	Partner is Director of the company

(Rs. In Lakhs)

Sr. No.	Name	Nature of Transaction	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
			Standalone	Consolidated	Consolidated	Consolidated
1	Sukhlal Jain	Remuneration	18.00	20.00	-	-
		Loan Accepted	-	9.50	10.50	9.00
		Loan Repaid	-	1.00	8.50	1.00
		Interest Payment	7.62	12.76	12.54	13.54
		Closing Balance (Cr.)	175.37	168.52	160.00	158.00
2	Nirmala Devi	Loan Accepted	-	9.50	13.75	35.25
		Loan Repaid	-	1.00	4.00	5.00
		Interest Payment	7.29	12.20	11.61	12.01
		Closing Balance (Cr.)	167.81	161.25	152.75	143.00

Sr. No.	Name	Nature of Transaction	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
			Standalone	Consolidated	Consolidated	Consolidated
3	Praveen Kumar Sukhlal Jain	Remuneration	18.00	26.00	33.00	36.00
		Loan Accepted	-	116.50	64.00	50.00
		Loan Repaid	108.08	21.59	11.50	33.00
		Interest Payment	10.70	17.62	15.18	14.33
		Closing Balance (Cr.)	222.95	321.41	226.50	174.02
4	Neeta Jain	Loan Accepted	-	-	3.50	6.65
		Loan Repaid	-	-	-	50.00
		Interest Payment	3.53	6.24	5.96	6.67
		Closing Balance (Cr.)	81.17	78.00	78.00	74.50
5	Kavitha Kumari	Loan Accepted	38.75	13.50	16.50	18.00
		Loan Repaid	40.00	3.00	8.50	15.00
		Interest Payment	7.45	13.32	12.70	13.73
		Closing Balance (Cr.)	182.95	177.50	167.00	159.00
6	Vikas Kumar Sukhlal Jain	Remuneration	18.00	22.00	-	-
		Loan Accepted	461.95	9.25	109.25	529.00
		Loan Repaid	257.50	652.75	-	683.33
		Interest Payment	6.23	46.07	44.66	81.85
		Closing Balance (Cr.)	210.06	-	643.50	534.25
7	Hitesh Kumar Jain	Remuneration	16.00	-	-	-
		Loan Accepted	67.00	29.00	15.50	90.50
		Loan Repaid	6.90	6.00	6.00	2.00
		Interest Payment	13.28	17.63	16.98	15.21
		Closing Balance (Cr.)	319.55	247.50	224.50	215.53
8	Ashok kumar Jain	Loan Accepted	-	-	3.50	50.00
		Loan Repaid	-	53.50	-	-
		Interest Payment	-	2.78	4.00	3.91
		Closing Balance (Cr.)	-	-	53.50	50.00
9	Manju Jain	Loan Accepted	-	-	12.50	171.00
		Loan Repaid	3.50	4.00	-	2.00
		Interest Payment	7.92	14.30	13.52	10.71
		Closing Balance (Cr.)	181.12	177.50	181.50	169.00
10	Pooja Jain	Loan Accepted	-	8.50	8.50	23.00
		Loan Repaid	2.50	2.50	1.50	1.50
		Interest Payment	5.69	9.59	9.15	8.33
		Closing Balance (Cr.)	130.12	127.50	121.50	114.50
11	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain)	Purchase	-	1,503.40	4,929.04	3,646.57
		Sales	0.03	132.88	1,753.90	952.20
		Purchase of property, plant & equipment	2.36	420.13	6.28	-
		Job Work	-	5.00	4.78	-
		Expenses	72.00	144.50	0.30	-
		Closing Balance (Dr.)	9.80	(55.54)	515.29	(598.01)
12	Ganga Consumer Durables Ltd.	Purchase	-	0.12	3.46	8.93
		Sales	2.21	0.85	20.42	107.31
		Expenses	-	0.09	0.17	-
		Closing Balance (Dr.)	-	(0.02)	0.01	34.96
13	Subhash Distributors Limited	Purchase	3,753.76	221.88	0.13	-
		Sales	405.58	-	3.13	0.15
		Expenses	-	0.73	-	-
		Loan Accepted	50.00	927.00	560.00	1,025.00
		Loan Repaid	950.00	477.00	710.00	425.00

Sr. No.	Name	Nature of Transaction	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
			Standalone	Consolidated	Consolidated	Consolidated
		Interest Payment	-	28.22	45.17	28.92
		Closing Balance (Cr.)	1,588.63	1,122.01	449.77	598.40
14	Subhashini Biz Ventures Private Limited	Closing Balance (Dr.)	-	-	-	0.31
15	M/s Siddhartha Enterprises (Prop. Vikas Kumar Sukhlal Jain HUF)	Purchase	-	-	-	222.94
		Sales	-	-	-	0.52
		Loan Accepted	-	-	98.40	-
		Loan Repaid	-	2.40	9.90	-
		Closing Balance (Cr.)	85.48	89.40	91.80	0.64
16	Vikas Kumar Sukhlal Jain HUF	Loan Accepted	-	-	-	170.00
		Loan Repaid	-	-	-	170.00
17	Mamtha Jain	Loan Accepted	-	-	-	50.00
		Loan Repaid	-	-	-	50.00
18	Bharathi H S	Remuneration	10.47	10.53	6.90	7.44
		Advance paid	6.00	-	-	-
		Advance Received back	2.00	-	-	-
		Advance Received	-	5.00	10.00	-
		Advance Repaid	-	15.00	-	-
		Closing Balance (Dr.) (advance)	4.00	-	(10.00)	-
19	Abhay Jain	Remuneration	10.64	10.58	6.68	6.95
		Advance paid	-	5.00	-	-
		Advance Received back	-	-	0.80	1.20
		Closing Balance (Dr.) (advance)	6.00	6.00	1.00	1.80
20	Sunder Enterprises	Purchase	50.07	29.91	36.56	21.56
		Sales	625.98	672.45	443.05	471.24
		Expenses	40.78	55.42	7.64	28.88
		Closing Balance (Dr.)	147.39	110.41	105.79	105.96
21	Sukhlal Ashok Kumar Jain	Sales	2.84	-	-	-
		Closing Balance (Dr.)	-	-	-	-
22	Greenchef Manufacturers and Distributors Private Limited	Advance paid	0.79	-	2.35	-
		Expenses	-	1.06	-	-
		Rent paid	6.08	9.00	9.00	-
		Closing Balance (Dr.)	5.53	10.81	17.85	(3.58)

**NOTE – ZB: RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(Rs. in Lakhs Except Per Share Data)

Particulars	As at			
	31/12/2022	31/03/2022	31/03/2021	31/03/2020
	Standalone	Consolidated	Consolidated	Consolidated
Net Worth (A)	6,062.39	5,170.68	5,093.27	4,854.57
Adjusted Profit after Tax (B)	1,021.55	76.54	251.34	111.77
Number of Equity Share outstanding as on the End of Year ( c )	35,64,300	35,64,300	35,64,300	35,64,300

Weighted average no of Equity shares at the time of end of the year (D)	1,71,08,640	1,71,08,640	1,71,08,640	1,71,08,640
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	5.97	0.45	1.47	0.65
Return on Net worth (%) (B/A)	16.85%	1.48%	4.93%	2.30%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	170.09	145.07	142.90	136.20
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	35.43	30.22	29.77	28.37
EBITDA	1,761.77	728.60	858.34	699.99

**Notes:**

- The ratios have been computed as below: The Below ratio's have not been annualized for the period ended 31st December 2022
  - Basic earnings per share (Rs.) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
  - Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
  - Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
  - Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of bonus equity shares issued during period/year
- Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- The figures disclosed above are based on the restated summary statements of the Company.
- EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

**Additional Information to The financial statements:-**

**NOTE NO. ZC Other Disclosures as per Schedule-III of the Companies Act, 2013**

ZC1: Value of imports calculated on C.I.F basis by the company during the financial year in respect of					
Particulars		As at 31 December 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Standalone	Consolidated	Consolidated	Consolidated
(a)	Raw materials/ Traded Goods & capital goods	940.15	3,931.54	3,205.54	2,514.28

ZC2: Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;					
Particulars		As at 31 December 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Standalone	Consolidated	Consolidated	Consolidated
(a)	Technical fees etc	-	3.61	0.35	-

ZC3: Total value of all imported and Indigenous raw materials, spare parts and components consumed during the financial year and the total value of all raw materials, spare parts and components similarly consumed					
	Details of consumption of Raw Material	As at 31 December 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Standalone	Consolidated	Consolidated	Consolidated

(i)	Imported Raw materials	500.04	2,784.66	1,712.88	647.23
(ii)	Indigenous Raw materials	13,631.88	17,708.49	11,285.98	8,789.03

<b>ZC4: Earnings in foreign exchange</b>					
	Particulars	As at 31 December 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Standalone	Consolidated	Consolidated	Consolidated
(a)	Export of goods	27.34	349.33	149.74	221.48

<b>ZC5: Amounts remitted in foreign currency during the year on account of dividend</b>					
	Particulars	As at 31 December 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Standalone	Consolidated	Consolidated	Consolidated
(a)	Amount of dividend remitted in foreign currency	Nil	Nil	Nil	Nil

**NOTE NO. ZD: Other Disclosures**

**ZD1: Disclosures related to Micro, Small and Medium Enterprises.**

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

The details relating to Micro, Small and medium enterprise disclosed as under:

S.N.	Particulars	As at 31 December 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Standalone	Consolidated	Consolidated	Consolidated
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	4033.90	2480.46	707.16	1290.21
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible	-	-	-	-

	expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.				
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## ZD2: INFORMATION IN RESPECT OF CSR EXPENDITURE REQUIRED TO BE SPENT BY THE COMPANY

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare.

- a) Gross amount required to be spent by the company for the period ended (31st December, 2022 Nil),(31st March, 2022 Rs. 12.52), (31st March, 2021 Rs. 11.79) & (31st March, 2020 Rs. 11.30)

- b) Amount spent are as under:

S. N	Particulars	As at 31.12.2022	As At 31.03.2022	As At 31.03.2021	As At 31.03.2020
		Standalone	Consolidated	Consolidated	Consolidated
1	Gross Amount required to be spent by the Company during the year	0.00	12.52	11.79	11.30
2	Amount of expenditure incurred	14.85	7.88	2.13	0.00
3	Shortfall at the end of the year		4.64	9.67	11.30
4	Total of previous year shortfall,	10.76	20.97	11.30	
5	Reason for shortfall	Not found Suitable avenues	Not found Suitable avenues	Not found Suitable avenues	Not found Suitable avenues
6	Nature of CSR activities	Education and Health	Education and Health	Education and Health	Education

\*The above-mentioned amount of Rs. 14.85 lakhs spent as on December 31, 2022 pertains to the shortfall amount of previous years

## ZD3: Trade Payable Ageing summary

S.N	Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
	<b>As at 31 Dec 2022</b>					
(i)	MSME	4,033.26	0.63	-	0.01	4,033.90
(ii)	Others	2,376.13	10.00	6.35	2.73	2,395.22
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
	<b>As at 31 March 2022</b>					
(i)	MSME	2,480.46	-	-	-	2,480.46
(ii)	Others	2,190.92	4.31	7.31	0.46	2,202.99
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
	<b>As at 31 March 2021</b>					
(i)	MSME	707.04	0.11	-	-	707.16
(ii)	Others	1,956.33	10.18	-	-	1,966.51
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
	<b>As at 31 March 2020</b>					
(i)	MSME	1,289.34	0.87	-	-	1,290.21

S.N	Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
(ii)	Others	1,488.80	13.19	4.47	-	1,506.46
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-

#### ZD4: Trade Receivable Ageing summary

SN	Particulars	Less than 6 Months	6 Months - 1 year	1-2 years'	2-3 Years	More than 3 Years	Total
<b>As at 31 Dec 2022</b>							
(i)	Undisputed Trade Receivable - Considered Good	6,115.13	260.70	185.90	57.35	69.55	6,688.63
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	0.27	14.20	3.28	14.25	59.40	91.40
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
<b>As at 31 March 2022</b>							
(i)	Undisputed Trade Receivable - Considered Good	5,934.95	153.94	180.99	53.48	57.80	6,381.16
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	0.42	2.87	13.69	42.56	36.02	95.58
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
<b>As at 31 March 2021</b>							
(i)	Undisputed Trade Receivable - Considered Good	5,454.93	283.53	101.66	64.81	7.88	5,912.81
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	18.28	27.92	27.66	73.86
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
<b>As at 31 March 2020</b>							
(i)	Undisputed Trade Receivable - Considered Good	5,071.38	488.78	101.10	22.04	8.61	5,691.91
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	92.18	41.21	38.54	18.45	11.86	202.23
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-

#### ZD5: Accounting Ratios

S N	Particulars	Numerator	Denominator	December 31, 2022	2021-22	2020-21	2019-20
1	Current Ratio	Current assets	Current liabilities	1.46	1.58	2.10	2.15
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.99	1.29	1.02	0.81

S N	Particulars	Numerator	Denominator	December 31, 2022	2021-22	2020-21	2019-20
3	Debt Service Coverage Ratio	EBITDA	Debt service	5.10	0.51	0.87	3.96
4	Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	18.19%	1.49%	5.05%	2.33%
5	Trade Receivables turnover ratio (in times)	Revenue	Average trade receivable	3.84	5.39	4.02	3.77
6	Net capital turnover ratio (in times)	Revenue	Working capital	4.88	5.87	4.13	4.83
7	Net profit ratio	Net profit	Revenue	4.01%	0.23%	1.05%	0.47%
8	Inventory Turnover Ratio	Revenue	Average Inventory	3.36	6.12	6.06	7.52
9	Return on Capital employed	Earning before interest and taxes	Capital employed	12.52%	4.04%	6.76%	5.78%

SN	Particulars	Numerator	Denominator	2021-22	2020-21	variation	Reason for variation of more than 25%
1	Current Ratio	Current assets	Current liabilities	1.58	2.10	(24.80)	
2	Debt-Equity Ratio	Total debt	Shareholder's equity	1.29	1.02	27.02	Due to increased turnover, there has been corresponding increased requirement of working capital loan. The company has borrowed additional loans from Canara Bank resulting in increase in debt and corresponding increase in higher Debt equity ratio.
3	Debt Service Coverage Ratio	EBITDA	Debt service	0.51	0.87	(41.54)	Due to higher repayment of debt during the current financial year and lower EBITDA, there has been increase in Debt-Service Coverage Ratio. Further, the DSCR is well within the standard norms required.
4	Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	1.49%	5.05%	-3.56%	
5	Trade Receivables turnover ratio (in times)	Revenue	Average trade receivable	5.39	4.02	33.93	Due to increased turnover and addition of many branches in many states, there has been sharp rise in Trade Receivables, resulting in higher Trade Receivable Turnover Ratio. The addition of many branches will have considerable impact in revenue generating in future years.
6	Net capital turnover ratio (in times)	Revenue	Working capital	5.87	4.13	42.22	The company has been able to increase its revenue with existing infrastructure and working capital. With the increase in Revenue and working capital requirement



SN	Particulars	Numerator	Denominator	2021-22	2020-21	variation	Reason for variation of more than 25%
							remaining intact, there has been positive increase in Net Capital turnover Ratio.
7	Net profit ratio	Net profit	Revenue	0.23%	1.05%	-0.82%	
8	Inventory Turnover Ratio	Revenue	Average Inventory	6.12	6.06	0.89	
9	Return on Capital employed	Earning before interest and taxes	Capital employed	4.04%	6.76%	-2.72%	

SN	Particulars	Numerator	Denominator	2020-21	2019-20	variation	Reason for variation of more than 25%
1	Current Ratio	Current assets	Current liabilities	2.10	2.15	(2.27)	
2	Debt-Equity Ratio	Total debt	Shareholder's equity	1.02	0.81	26.13	Due to increased turnover, there has been corresponding increased requirement of working capital loan. The company has borrowed additional loans from Canara Bank and directors resulting in increase in debt and corresponding increase in higher Debt equity ratio.
3	Debt Service Coverage Ratio	EBITDA	Debt service	0.87	3.96	(78.01)	Due to higher repayment of debt during the current financial year and lower EBITDA, there has been increase in Debt-Service Coverage Ratio.
4	Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	5.05%	2.33%	2.72%	
5	Trade Receivables turnover ratio (in times)	Revenue	Average trade receivable	4.02	3.77	6.60	
6	Net capital turnover ratio (in times)	Revenue	Working capital	4.13	4.83	(14.55)	
7	Net profit ratio	Net profit	Revenue	1.05%	0.47%	0.58%	
8	Inventory Turnover Ratio	Revenue	Average Inventory	6.06	7.52	(19.36)	

SN	Particulars	Numerator	Denominator	2020-21	2019-20	variation	Reason for variation of more than 25%
9	Return on Capital employed	Earning before interest and taxes	Capital employed	6.76%	5.78%	0.98%	

**NOTE – ZE: CAPITALISATION STATEMENT**

*(Amt. Rs. in Lacs)*

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	3118.90	3118.90
Long Term Debt (B)	2915.37	2915.37
<b>Total debts (C)</b>	<b>6034.27</b>	<b>6034.27</b>
<b>Shareholders' funds</b>		
Equity share capital	356.43	*
Reserve and surplus - as restated	5,705.96	*
<b>Total shareholders' funds</b>	<b>6,062.39</b>	*
<b>Long term debt / shareholders' funds (in Rs.)</b>	<b>0.48</b>	*
<b>Total debt / shareholders' funds (in Rs.)</b>	<b>1.00</b>	*

*(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.*

## **OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company as at and for the period/year ended December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.greenchef.in](http://www.greenchef.in)

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus; or (iii) prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below: -

<b>Particulars</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Profit After Tax (Rs. In Lakhs)	1021.55	76.54	251.34	111.77
Basic & Diluted Earnings per Share	5.97	0.45	1.47	0.65
Return on Net Worth (%)	16.85%	1.48%	4.93%	2.30%
NAV per Equity Shares (Based on Actual Number of Shares)	170.09	145.07	142.90	136.20
NAV per Equity Shares (Based on Weighted Average Number of Shares - With Bonus Effect)	35.43	30.22	29.77	28.37
Earnings before interest, tax, depreciation and amortization (EBITDA)	1,761.77	728.60	858.34	699.99

**Note:** The ratios for the stub period ended on December 31, 2022 are not annualized

## STATEMENT OF FINANCIAL INDEBTEDNESS

To,

**The Board of Directors,  
M/s Greenchef Appliances Ltd**  
No. 477 E, IV Phase, Peenya Industrial Area,  
Bangalore – 560058, India

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Greenchef Appliances Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on December 31, 2022 are mentioned below.

### A. SECURED LOANS

#### STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

								<i>(Rs in lakhs)</i>
Sr. No	Name of Lender	Purpose	Sanctioned Amount (In Lacs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.12.2022
1	Canara Bank	Working Capital Needs	4000.00	10.80%	Refer Note below	Repayable on Demand	N.A.	3,118.90
2	Canara Bank	Factory Construction Loan	1500.00	10.80%	Refer Note below	Repayment in 96 months. Monthly EMI of Rs.15.60 lakhs Starting from January-23 to December -30	21 months	558.14
3	Canara Bank	GECL Working Capital Term Loan	340.00	7.50%	Please refer note on Primary Security	Tenure: 48 months 36 monthly installments after a moratorium period of 6 months from the date of first disbursement as under: Monthly EMI of Rs.9.44 lakhs Starting from February-22 to March-25	6 months	236.11
4	Canara Bank	GECL Working Capital Term Loan	347.00	7.50%	Refer Note below	48 monthly installments after a moratorium period of 24 months from the date of first disbursement as under: 48 Monthly EMI of Rs.7.23 lakhs Starting from October-23 to October -27	24 months	347.00

5	ICICI Bank	Car Loan	21	9.25%	Hypothecation of Vehicle	Monthly EMI of Rs.0.67 lakhs Starting from May-22 to April - 25	NA	16.90
<b>Total (Fund Based)</b>								<b>4,277.05</b>
6	Canara Bank	Bank Guarantee	100.00	Margin 20%	Land , Factory, & Hypothecation of Stock Plant & Machinery		N.A	100.00
<b>Total (Non Fund Based)</b>								<b>100.00</b>
<b>Grand Total (Fund &amp; Non Fund Based)</b>								<b>4,377.05</b>

**Notes:**

**Primary Security:-**

**Working capital:** Hypothecation of stocks and Book Debts

**Term Loan:** Continuing EMT of leasehold rights of industrial land located at Plot No 503,504,505 situated in 2nd phase of Vasanthapura Industrial Estate in the in the industrial area comprised in Sy. No 96 within the village limits of Yelladadlu Village, Kora Hobli Tumakuru Taluk, Tumakura District formed by the Karnataka Industrial Areas Development Board totally measuring 58227 sq. mtrs. (626522 sq. ft./ 14.38 acres) standing in the name of company-M/s Greenchef Appliances Limited.

**Collateral Security:-**

**Equitable Mortgage over the following properties:**

1. Continuing EMT of lease hold rights of industrial land located at plot No. 503, 504, 505 situated in 2nd phase of vasanthapura Industrial area comprised in Sy No. 96 within the village limits of Yelladadlu Village, Kora Hobli, Tumakur Taluk, Tumakur District formed by the Karnataka Industrial Areas Development Board totally measuring 58227 sq. mtrs. (626522 sq. ft. / 14.38 acres) standing in the name of the company- M/s Greenchef Appliances Limited.
2. Continuing EMT of lease hold rights of industrial plot bearing no. 79 in the industrial area comprised in survey No. 10 & 11 of Bharatipura Village, Somanahalli Hobli, Nelamangala Taluk, Bangalore -562123, Bangalore Rural District formed by the KIADB and known as somapura industrial Are - I stage near Dabaspet. Site in all measures 5311 Sq. Meters or 57146.36 Sq. ft. standing in the name of M/s Greenchef Appliances Limited.
3. Continuing EMT of industrial property at Mouja, Up Mohal Naryal Khasra No. 454/423, Kasauli Road, Parwanoo Tehsil Kasauli, Solan District, Himachal Pradesh state in the name of M/s. Greenchef Manufacturers and Distributors Pvt Limited.
4. Fresh MODTD of property bearing No 19. old No.37/1(PID No. 55-642-19)1st 'A' Cross, Gowdanapalya, subramanayapura Main Road, Kadirenahalli BMP Ward No. 55 Uttarahalli Hobli, Bangalore East to West 30 Feet, North to South 48.3 feet, total measuring 1448 sq. ft. along with 1100 sq. ft. non-residential building constructed therein and bounded on. East By: Passage and remaining portion of same property. North by: Road. South : Galli. Property Owned By Nirmala Devi.

## 5. Hypothecation of Plant & Machinery

**Personal Guarantee** of 1. Mr. Sukhlal Jain 2. Mr. Praveen Kumar Sukhlal Jain 3. Mr. Vikas Kumar Sukhlal Jain 4. Mr. Hitesh kumar Jain 5. Mr Ashok Jain 6. Smt. Kavitha Kumari 7. Smt. Manju Jain 8. Smt. Neeta Jain 9. Smt. Nirmala Devi 10. Smt. Pooja Jain.

**Corporate Guarantee** of M/s Greenchef Manufacturers & distributors Private limited

### **PFD Conditions:**

- The Company to ensure that all the statutory approvals are in place. The obtention of modified master plan and other statutory permissions to be included in the scope of Project Management Consultant and henceforth PIPR report on quarterly basis to be obtained specifying the status of statutory permissions.
- The Company undertakes to ensure that the building will be constructed as per the approved plan and there are no deviations from the approved plan.
- The Company to verify and ensure clear, valid and marketable title deeds of the land is obtained as per the LSR given by the Bank's panel advocate and ensure correctness.
- The Company to ensure that the Company submits detailed quotations / estimates / invoices and ensure correctness of the same.
- The Company to ensure infusion of promoter's margin in each stage of disbursement.
- Any escalation in the project cost due to cost overrun or change in the scope of the project to be funded by promoter's own sources of funds.

### **GENERAL TERMS & CONDITIONS:**

1. The Company to ensure that URC is updated as per latest Audited Balance sheet.
2. There should not be any statutory dues pending.
3. Ensure that monthly installments/ interest towards term loan are serviced on due dates.
4. Godown inspection to be conducted as per the bank's guidelines and based on the earlier sanction.
5. **The interest rate is linked to RLLR.**
  - a. The RLLR and the actual lending rates are subject to review and variation from time to time as per RBI guidelines and also subject to any changes in the financial position of the Borrower.
  - b. The changes in the RLLR and the actual lending rate will be notified by bank from time to time including in the bank's website.
  - c. The respective RLLR prevailing as on the date of first disbursement whether partial or full shall be applicable till the next reset date, irrespective of the changes in the benchmark rate during the interim period.
6. The Company to ensure that all the Directors DIN is activated and they are permitted to affix their signature.
7. All the limits/liabilities permitted by our Bank & other Banks/FIs are to be appeared in CIRs of Entities/ individual promoters/ Directors/Partners/Guarantors.
8. PIPR to be submitted on quarterly basis. The PIPR during the implementation period duly certified by Chartered Accountant / Chartered Engineer to be submitted.
9. The Company to ensure that the project is implemented as per schedule.
10. The Company to ensure that the construction activity is in line with the approved building plan and the construction works completes as per scheduled time.
11. The Company to comply with all the statutory requirements of GST (such as transfer, merger, closure) and ensure the entire turnover of the company is filled in the GST of the company in future.
12. The Company to submit BG progress report on quarterly basis & ensure that there are no adverse remarks.
13. The Company to obtain NOC before availing limits/opening accounts with other Banks/FIs.
14. Fresh valuation reports will be obtained for all properties mortgaged with us where earlier valuation has completed 3 years ensuring that there are no adverse remarks.
15. The Company is advised to desist from cross utilization of short term funds for long term & to infuse capital to improve liquidity.
16. The company shall not incur any capital expenditure and except those necessary in due course of business subject to prior approval of our Bank.

17. The company shall not sell any of its fixed assets/investments, without prior approval of Bank.
18. The Company to ensure end use of the loan.
19. THE COMPANY is advised for adequate insurance of Prime & Collateral securities with our banks lien noted in the insurance policy. All hypothecated assets to be insured for the full value with Bank's lien.
20. All assets mortgaged/hypothecated to us are comprehensively insured with companies having tied up with our Bank. All hypothecated assets to be insured for the full value with Bank's lien. Policy should contain the bank clause.
21. All the future borrowings by the borrower from any Banks/FI have to be with prior consent from Sanctioning Authority.
22. The Company to also ensure prompt submission of CA Certified age-wise Book Debt Statement every half year as at March & September. The Company to ensure deduction of Sundry Creditors from the Stocks to arrive at paid stock & DP correct

#### B. UNSECURED LOANS

Sr. No.	Name	Purpose	Rate of Interest	Re-payment	31.12.2022
1	Sukhlal Jain	Business Loan	6%	Not repayable before 1 year from the balance sheet date	175.37
2	Nirmala Devi	Business Loan	6%		167.81
3	Praveen Kumar Sukhlal Jain	Business Loan	6%		222.95
4	Neeta Jain	Business Loan	6%		81.17
5	Kavitha Kumari	Business Loan	6%		182.95
6	Vikas Kumar Sukhlal Jain	Business Loan	6%		210.06
7	Hitesh Kumar Jain	Business Loan	6%		319.55
8	Manju Jain	Business Loan	6%		181.12
9	Pooja Jain	Business Loan	6%		130.12
10	Siddhartha Enterprises – Parwanoo	Business Loan	-		86.10
	<b>Total</b>				<b>1757.21</b>

**For M/s Patel Shah and Joshi**

**Chartered Accountants**

FRN 107768W

Sd/-

**Jayant Mehta**

**Partner**

M. No.042630

Place: Bangalore

Date: March 20, 2023

UDIN: 23042630BGXOBX2231

## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

*You should read the following discussion in conjunction with our restated consolidated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 195. You should also read the section titled “Risk Factors” on page 25 and the section titled “Forward Looking Statements” on page 17 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated consolidated financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated March 20, 2023 which is included in this Red Herring Prospectus under “Financial Statements”. The Restated Consolidated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Business Overview**

We are engaged in the business of manufacturing and marketing of wide range of kitchen appliances under the brand name of Greenchef. Our kitchen appliances include wide range of solutions comprising of Gas Stoves, Pressure Cookers, Mixer Grinders, Wet Grinders, Electric Rice Cooker, Induction Cooktops, Non-stick Cookwares like: Tawa, Fry Pan, Kadai, Biriyani Pot, Tadka Pan, Paniyarakkal, Appamchetty etc, Kettles, Hose Pipes, Gas Cylinder Trolley and Spin Mop. Further our company is also engaged in marketing of appliances like: Chimney, Stainless Steel Utensils, Blenders, Vegetable Chopper, Silicon Gasket, Water Bottles, Fans, Iron etc. Our range of products are offered at different pricing points to meet diverse customer requirements. Greenchef is an emerging player in the Indian Kitchen Appliances like Gas Stoves, Pressure Cooker, Wet Grinder, Non-stick cookware, Induction Cooktop, Kettle and Rice Cooker. (Source: CareEdge Report)

We manufacture the majority of core products like: railing pipe, mixing tube, brass burner, pan support etc required in Gas Stoves, weight valve and vent tube required in pressure cookers, mixi motor and jars required in Mixer Grinders etc. This enables us to control and monitor the quality and costs of these products. For certain product categories and sub-categories, we engage in sourcing from third party manufacturers both domestically and from outside India. For sourced products, we have a dedicated team to undertake inspection and ensure that such products are built to suit our specifications in terms of design and quality. We also provide after sales services in relation to our products. As of December 31, 2022 our service team comprised of 130 service technicians across 13 states. Further we have also appointed 107 authorized service providers across 15 states. Our CRM software enables us to track customer requests and after sales support to ensure customer satisfaction.

We have three manufacturing facilities located at Bengaluru, Karnataka and one manufacturing facility located at Parwanoo, Himachal Pradesh. Our Parwanoo facility is focussed on manufacturing of Gas Stoves and hose pipes for which our company has also entered into marketing agreement with oil companies like: Hindustan Petroleum Corporation Limited, Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited. Our manufacturing facilities are accredited with ISO 9001:2015 for quality management system.

As of December 31, 2022, our manufacturing facilities are well connected with five strategically located C&F agents in the state of Rajasthan Maharashtra, Uttar Pradesh, Gujarat and Bihar. Additionally as on December 31, 2022 we have around 450 distributors in 22 states and 3 union territories of India. The C&F agents and distributors are, in turn, connected with a dealer network for sale of our products through their respective retail outlets. Further we are approved vendors of various modern retail chains such as DMART, Reliance Retail Limited, StarBazaar for the sale of our products from several of their retail outlets in India. Our products are also sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Bigbasket and Amazon Seller Services Private Limited.

Our Company was founded by our Promoters, Sukhlal Jain, Praveen Kumar Sukhlal Jain and Vikas Kumar Sukhlal Jain with experience of around 51 years, 20 years and 22 years in the kitchen appliances industry. We believe that the sector-specific experience and expertise of our promoters has contributed significantly in the growth of our Company. We have received the below mentioned prestigious awards in the past that bear testimony to the customer confidence our products have gained over the years.

- Recognition of excellence for the Best Home & Kitchen Appliances Manufacturer by Karnataka Business Awards 2022.
- India’s Best Brand of the year Awards 2022, Organized by Berkshire Media LLC, USA.



- Fastest Growing Brands in FY 19-20 for category Home and Kitchen Appliances by United Research Services.
- Asia's Most Trusted Brand in 2021 by International Brand Consulting Corporation, USA

The following table sets forth certain key performance indicators for the years indicated:

#### Key Performance Indicators of our Company

(Rs. In Lakhs except percentages and ratios)

Key Financial Performance	Nine months period ended December 31, 2022*	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations <sup>(1)</sup>	25,482.78	33,578.47	23,899.01	23,574.52
EBITDA <sup>(2)</sup>	1761.77	728.60	858.34	699.99
EBITDA Margin <sup>(3)</sup>	6.91%	2.17%	3.59%	2.97%
PAT	1021.55	76.54	251.34	111.77
PAT Margin <sup>(4)</sup>	4.01%	0.23%	1.05%	0.47%
Net Worth <sup>(5)</sup>	6,062.39	5,170.68	5,093.27	4,854.57
RoE(%) <sup>(6)</sup>	18.19%	1.49%	5.05%	2.33%
RoCE (%) <sup>(7)</sup>	12.52%	4.04%	6.76%	5.78%

\*Not Annualized

#### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

#### Explanation for KPI metrics

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

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to *Annexure IV of Restated Consolidated Financial Statements* beginning on page 202 of this Red Herring Prospectus.

#### Factors Affecting our Results of Operations

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in consumer demand and preferences;

- Failure to successfully upgrade our product portfolio, from time to time;
- Any change in government policies resulting in increases in taxes payable by us;
- Our ability to retain our key managements persons and other employees;
- Changes in laws and regulations that apply to the industries in which we operate.
- Our failure to keep pace with rapid changes in technology;
- Our ability to grow our business;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- General economic, political and other risks that are out of our control;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company's ability to successfully implement its growth strategy and expansion plans;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- Concentration of ownership among our Promoters;
- The performance of the financial markets in India and globally;
- Shortage of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply market;

### Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Consolidated Financial Statements for the stub period ended on December 31, 2022 for the financial years ended on March 31, 2022, 2021 and 2020.

(Rs. in Lakhs)

Particulars	For the Period/Year ended on							
	31/12/2022	% of Total Income	31/03/2022	% of Total Income	31/03/2021	% of Total Income	31/03/2020	% of Total Income
Revenue from Operation	25,482.78	99.41%	33,578.47	99.63%	23,899.10	99.87%	23,754.52	99.78%
Other Income	150.69	0.59%	126.05	0.37%	30.22	0.13%	52.65	0.22%
<b>Total Income</b>	<b>25,633.47</b>	<b>100.00%</b>	<b>33,704.52</b>	<b>100.00%</b>	<b>23,929.33</b>	<b>100.00%</b>	<b>23,807.17</b>	<b>100.00%</b>
<b>Expenditure</b>								
Raw Material Consumption	13,306.84	51.91%	18,872.89	56.00%	13,171.16	55.04%	9,761.35	41.00%
Purchase of Stock in Trade	3,331.45	13.00%	4,197.26	12.45%	4,013.14	16.77%	6,901.70	28.99%
Change in inventories of finished goods, work in progress and stock in trade	-666.58	-2.60%	-621.93	-1.85%	-519.01	-2.17%	-1,089.81	-4.58%
Employee Benefit Expenses	2,840.22	11.08%	3508.50	10.41%	1,978.74	8.27%	2,405.90	10.11%
Finance Cost	342.47	1.34%	552.81	1.64%	380.97	1.59%	441.21	1.85%
Depreciation and Amortisation Expenses	247.95	0.97%	250.10	0.74%	163.72	0.68%	193.30	0.81%
Other Expenses	4,887.53	19.07%	6828.75	20.26%	4,364.82	18.24%	5,061.62	21.26%
<b>Total Expenditure</b>	<b>24,289.87</b>	<b>94.76%</b>	<b>33,588.38</b>	<b>99.66%</b>	<b>23,553.53</b>	<b>98.43%</b>	<b>23,675.26</b>	<b>99.45%</b>
<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax</b>	<b>1,343.60</b>	<b>5.24%</b>	<b>116.14</b>	<b>0.34%</b>	<b>375.79</b>	<b>1.57%</b>	<b>131.91</b>	<b>0.55%</b>
Exceptional item	-		-		-		-	
<b>Profit/(Loss) Before Tax</b>	<b>1,343.60</b>	<b>5.24%</b>	<b>116.14</b>	<b>0.34%</b>	<b>375.79</b>	<b>1.57%</b>	<b>131.91</b>	<b>0.55%</b>
Tax Expense								

Particulars	For the Period/Year ended on							
	31/12/2022	% of Total Income	31/03/2022	% of Total Income	31/03/2021	% of Total Income	31/03/2020	% of Total Income
Tax Expense for Current Year	321.54	1.25%	44.85	0.13%	131.66	0.55%	31.21	0.13%
Short/(Excess) Provision of Earlier Year					11.02	0.05%	7.14	0.03%
Deferred Tax	0.51	0.00%	-10.80	-0.03%	-23.98	-0.10%	-23.69	-0.10%
Net Current Tax Expenses	322.05	1.26%	34.04	0.10%	118.70	0.50%	14.65	0.06%
<b>Profit/(Loss) after tax but before minority interest and share of profit of associates</b>	<b>1,021.55</b>	<b>3.99%</b>	<b>82.09</b>	<b>0.24%</b>	<b>257.10</b>	<b>1.07%</b>	<b>117.26</b>	<b>0.49%</b>
a) Share of Minority	-		-5.55	-0.02%	-5.75	-0.02%	-5.49	-0.02%
<b>Profit/(loss) after tax</b>	<b>1,021.55</b>	<b>3.99%</b>	<b>76.54</b>	<b>0.23%</b>	<b>251.34</b>	<b>1.05%</b>	<b>111.77</b>	<b>0.47%</b>

#### Revenue from operations:

Revenue from operations mainly consists of revenue from sale of Kitchen appliances.

#### Other Income:

Other income primarily comprises of Interest Income, Net gain on foreign currency transactions, profit on sale of investments, property, plant and equipment etc.

#### Total Expenses:

Total expenses consist of operating cost like Raw material consumption, Purchase of stock in trade, Change in inventories of finished goods, work in progress and stock in trade, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

#### Raw Material Consumption

Raw material consumption expenses primarily comprises of Purchase of material, carriage inward and change in stock of raw material.

#### Purchase of Stock in Trade

Purchase of Stock in Trade comprises of purchase of trading goods and customs and clearing forwarding charges on them.

#### Change in inventories of finished goods, work in progress and stock in trade

Change in inventories of finished goods, work in progress and stock in trade comprises of increase/(decrease) in stock of finished goods.

#### Employee benefits expense:

Employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Remuneration to directors, Staff welfare expenses, labour welfare fund and Employers Contribution to ESI and PF and Gratuity.

#### Finance Costs:

Our finance cost includes Interest expenses and Bank charges.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on Plant & Machinery, Furniture and Fixtures, Office Equipment, Computer, Factory Building, Vehicle and computer software.

**Other Expenses:**

Other Expenses consists of Manufacturing Expenses like: Consumables, Job Work Charges, Power & Fuel, Repair & Maintenance, Clearing and Forwarding Charges, BIS Expenses & Others, Customs Duty and Administrative expenses like: Advertisement Expenses, Commission, Freight outward, Bad Debts, Business Promotion, Incentive, Schemes & Discount Paid, Online marketplace Charges, office expenses, Profession & Consultancy Charges, Rates & Taxes, Rent paid, Security Charges, Service Charges, Travelling Expenses etc.

**FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED DECEMBER 31, 2022****Total Income:**

Total income for the period ended December 31, 2022 stood at Rs.25,633.47 Lakhs. The total income consists of revenue from operations and other income.

**Revenue from Operations**

During the period ended December 31, 2022 the net revenue from operation of our Company was Rs. 25,482.78 Lakhs from sale of kitchen appliances.

**Other Income:**

During the period ended December 31, 2022 the other income of our Company stood at Rs. 150.69 Lakhs. The main components of the other income primarily comprises of Interest Income and profit on sale of investments.

**Total Expenses**

Total expenses consist of cost like Raw material consumption, Purchase of stock in trade, Change in inventories of finished goods, work in progress and stock in trade, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses. During the period ended December 31, 2022 the total expenses of our Company stood at Rs. 24,289.87 Lakhs.

**Raw Material Consumption**

During the period ended December 31, 2022 the Raw material consumption expenses of our Company stood at Rs.13,306.84 Lakhs. Our Raw material consumption expenses primarily comprises of Purchase of material, carriage inward and change in stock of raw material.

**Purchase of Stock in Trade**

During the period ended December 31, 2022 Purchase of stock in trade stood at Rs.3331.45 Lakhs. Our Purchase of Stock in Trade comprises of purchase of trading goods and customs and clearing forwarding charges on them.

**Change in inventories of finished goods, work in progress and stock in trade**

During the period ended December 31, 2022 Change in inventories of finished goods, work in progress and stock in trade of our Company stood at Rs.(666.58)Lakhs. Our Change in inventories of finished goods, work in progress and stock in trade comprises of increase/(decrease) in stock of finished goods.

**Employee benefits expense:**

During the period ended December 31, 2022 the employee benefit expenses of our Company stood at Rs.2840.22 Lakhs. The main components of the employee benefit expenses are Salaries, wages & bonus expenses, Remuneration to directors, Staff welfare expenses, Employers Contribution To ESI and PF and Gratuity.

**Depreciation and Amortization Expenses:**

During the period ended December 31, 2022 the Depreciation and amortization charges of our Company stood at Rs. 247.95 Lakhs.

**Other Expenses:**

During the period ended December 31, 2022 the Other Expenses of our Company stood at Rs. 4887.53 Lakhs. The main components of Other Expenses are Consumables, Job Work Charges, Power & Fuel, Customs duty, Business Promotion expenses, Incentive, Schemes & Discount Paid (Net), Online marketplace Charges, Rent paid, Travelling Expenses, Advertisement Expenses, Commission, Freight outward Expenses etc.

**Restated Profit before tax:**

The Company reported Restated profit before tax for period ending December 31, 2022 of Rs. 1343.60 Lakhs.

**Restated profit after tax:**

The Company reported Restated profit after tax for period ending December 31, 2022 of Rs. 1021.55 Lakhs.

**FINANCIAL YEAR 2022 COMPARED TO FINANCIAL YEAR 2021****Total Income:**

Total income for the financial year 2021-22 stood at Rs. 33,704.52 Lakhs whereas in Financial Year 2020-21 the same stood at Rs. 23,929.33 Lakhs representing an increase of 40.85%. The main reason of increase was increase in the volume of business operations of the company.

**Revenue from Operations**

During the financial year 2021-22 the net revenue from operation of our Company increased to Rs. 33,578.47 Lakhs as against Rs. 23,899.10 Lakhs in the Financial Year 2020-21 representing an increase of 40.50%. The main reason of increase was increase in the volume of business operations of the company.

**Other Income:**

During the financial year 2021-22 the other income of our Company increased to Rs. 126.05 Lakhs as against Rs. 30.22 lakhs in the Financial Year 2020-21 representing an increase of 317.04%. Such increase is mainly due to currency rate exchange and insurance claim receivable.

**Total Expenses**

The total expense for the financial year 2021-22 increased to Rs.33,588.38 Lakhs from Rs. 23,553.53 lakhs in the Financial Year 2020-21 representing an increase of 42.60 %. Such increase was due to increase in business operations of the Company.

**Raw Material Consumption**

The Raw material consumption for the financial year 2021-22 increased to Rs.18,872.89 lakhs from Rs. 13,171.16 lakhs in the Financial Year 2020-21 representing an increase of 43.29%. Such increase was due to increase in business operations of the Company.

**Purchase of Stock in Trade**

The Purchase of stock in trade for the financial year 2021-22 increased to Rs.4,197.26 lakhs from Rs. 4,013.14 lakhs in the Financial Year 2020-21. Such increase of 4.59% was due to increase in business operations of the Company.

### **Change in inventories of finished goods, work in progress and stock in trade**

The Change in inventories of finished goods, work in progress and stock in trade for the financial year 2021-22 increased to Rs.(621.93) lakhs from Rs.(519.01) lakhs in the Financial Year 2020-21 representing an increase of 19.83%. Such increase was due to increase in closing stock of finished goods.

### **Employee benefits expense:**

Our Company has incurred Rs. 3508.50 Lakhs as Employee benefits expense during the financial year 2021-22 as compared to Rs. 1978.74 Lakhs in the financial year 2020-21. The increase of 77.31% was due to increase in Salaries, wages & bonus expenses, Remuneration to directors, Staff welfare expenses, Employers Contribution to ESI and PF.

### **Finance Cost**

Our Company has incurred Rs. 552.81 Lakhs as finance cost during the financial year 2021-22 as compared to Rs. 380.97 Lakhs in the financial year 2020-21. The increase of 45.10% was due to increase in borrowings.

### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2021-22 stood at Rs. 250.10 Lakhs as against Rs. 163.72 Lakhs during the financial year 2020-21. The increase in depreciation was around 52.76% in comparison to the previous year.

### **Other Expenses:**

Our Company has incurred Rs. 6828.75 Lakhs during the Financial Year 2021-22 on other expenses as against Rs. 4364.82 Lakhs during the financial year 2020-21. There was an increase of 56.45% mainly due to increase Job Work Charges, Power & Fuel, Repair & Maintenance, Clearing and Forwarding Charges, BIS Expenses, Bad debts, communication costs, online marketplace charges, Packing Materials Charges, rent paid, service charges, Advertisement Expenses, Freight outward Expenses etc.

### **Restated profit before tax:**

Net profit before tax for the financial year 2021-22 decreased to Rs. 116.14 Lakhs as compared to Rs. 375.79 Lakhs in the financial year 2020-21. The decrease of 69.10% was majorly due to factors as mentioned above.

### **Restated profit for the year:**

The Company reported Restated profit after tax for the financial year 2021-22 of Rs. 76.54 Lakhs in comparison to Rs. 251.34 lakhs. The decrease of 69.55% which was majorly due to factors as mentioned above.

## **FINANCIAL YEAR 2021 COMPARED TO FINANCIAL YEAR 2020**

### **Total Income:**

Total income for the financial year 2020-21 stood at Rs. 23,929.33 Lakhs whereas in Financial Year 2019-20 the same stood at Rs. 23,807.17 Lakhs representing an increase of 0.51%.

### **Revenue from Operations**

During the financial year 2020-21 the net revenue from operation of our Company increased to Rs. 23,899.10 Lakhs as against Rs. 23,754.52 Lakhs in the Financial Year 2019-20 representing an increase of 0.61%.

### **Other Income:**

During the financial year 2020-21 the other income of our Company decreased to Rs. 30.22 Lakhs as against Rs. 52.65 lakhs in the Financial Year 2019-20 representing a decrease of 42.59%. Such decrease is mainly due to decrease in rental income.

**Total Expenses**

The total expense for the financial year 2020-21 decreased to Rs.23,553.53 Lakhs from Rs. 23,675.27 lakhs in the Financial Year 2019-20 representing an decrease of 0.51 %.

**Raw Material Consumption**

The Raw material consumption for the financial year 2020-21 increased to Rs. 13,171.16 lakhs from Rs. 9,761.35 lakhs in the Financial Year 2019-20 representing an increase of 34.93%. Such increase was due to increase in purchase of raw materials.

**Purchase of Stock in Trade**

The Purchase of stock in trade for the financial year 2020-21 decreased to Rs. 4,013.14 lakhs from Rs. 6,901.70 lakhs in the Financial Year 2019-20. Such decrease of 41.85% was due to reduction in purchases of stock in trade.

**Change in inventories of finished goods, work in progress and stock in trade**

The Change in inventories of finished goods, work in progress and stock in trade for the financial year 2020-21 decreased to Rs.(519.01) lakhs from Rs.(1089.81) lakhs in the Financial Year 2019-20 representing an decrease of 52.38%.

**Employee benefits expense:**

Our Company has incurred Rs. 1978.74 Lakhs as Employee benefits expense during the financial year 2020-21 as compared to Rs. 2405.90 Lakhs in the financial year 2019-20. The decrease of 17.75% was due to decrease in salaries and wages, decrease in Employers Contribution To ESI and PF, decrease in Gratuity expenses and decrease in Staff Welfare Expenses

**Finance Cost**

Our Company has incurred Rs. 380.97 Lakhs as Employee benefits expense during the financial year 2020-21 as compared to Rs. 441.21 Lakhs in the financial year 2019-20. The decrease of 13.65% was due to decrease in interest on overdraft.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2020-21 stood at Rs. 163.72 Lakhs as against Rs. 193.30 Lakhs during the financial year 2019-20. The decrease in depreciation was around 15.30% in comparison to the previous year.

**Other Expenses:**

Our Company has incurred Rs. 4364.82 Lakhs during the Financial Year 2021-22 on other expenses as against Rs. 5061.62 Lakhs during the financial year 2019-20. There was a decrease of 13.77% mainly due to decrease in job work charges, Repair & Maintenance, advertisement expenses, Commission, Freight outward Expenses, Business Promotion, Incentive, Schemes & Discount Paid, rent paid, travelling expenses etc.

**Restated profit before tax:**

Net profit before tax for the financial year 2020-21 increased to Rs. 375.79 Lakhs as compared to Rs. 131.91 Lakhs in the financial year 2019-20. The increase of 184.90% was majorly due to factors as mentioned above.

**Restated profit for the year:**

The Company reported Restated profit after tax for the financial year 2020-21 of Rs. 251.34 Lakhs in comparison to Rs. 111.77 lakhs. The increase of 124.90% which was majorly due to factors as mentioned above.

**Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

***1. Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. Except as disclosed in this Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

***3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 25 of the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

***4. Future changes in relationship between costs and revenues***

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 25, 96 and 242 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

***5. Segment Reporting***

As we operate in single segment i.e. kitchen appliances, the same is not applicable on our Company

***6. Status of any publicly announced New Products or Business Segment***

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

***7. Seasonality of business***

Our business is not subject to seasonality. For further information, see “**Industry Overview**” and “**Our Business**” on pages 96 and 96, respectively.

***8. Dependence on single or few customers***

For the stub period ended on December 31, 2022 and for the FY 21-22, FY 20-21 and FY 2019-20 our top 10 customers contributed to 36.24%, 26.56%, 28.91% and 32.24% of our revenue from operations. For further information, see “**Risk Factors**” on page 25 of this Red Herring Prospectus

***9. Competitive conditions***

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 96 and 96 respectively of this Red Herring Prospectus.

***10. Details of material developments after the date of last balance sheet i.e. December 31, 2022***

After the date of last Balance sheet i.e. December 31, 2022, the following material events have occurred after the last audited period –

1. We have passed a Resolution in the meeting of Board of Directors dated February 15, 2023 authorizing the Board of Directors to raise funds by making an Initial Public Offering.



2. We have passed a special resolution in the Extra-ordinary General meeting dated February 17, 2023 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
3. We have capitalized the profits of the company by issuing 1,35,44,340 equity shares of Face Value of Rs. 10/- in ratio of 19:5 (19 new equity shares for 5 Existing shares) approved in Extra Ordinary General Meeting held on February 17, 2023 and allotted on February 20, 2023.
4. Our company has approved the audited financial statements for the stub period ending December 31, 2022 in the Board meeting dated March 20, 2023.
5. Our Company has approved the Restated Financial Statements for the Stub period ending December 31, 2022 and financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 in the Board meeting dated March 20, 2023.
6. Our Company has approved the Red Herring Prospectus vide resolution in the Board Meeting dated March 23, 2023.

## CAPITALISATION STATEMENT

(Amt. Rs. in Lacs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	3118.90	3118.90
Long Term Debt (B)	2915.37	2915.37
<b>Total debts (C)</b>	<b>6034.27</b>	<b>6034.27</b>
<b>Shareholders' funds</b>		
Equity share capital	356.43	*
Reserve and surplus - as restated	5,705.96	*
<b>Total shareholders' funds</b>	<b>6,062.39</b>	*
<b>Long term debt / shareholders' funds (in Rs.)</b>	<b>0.48</b>	*
<b>Total debt / shareholders' funds (in Rs.)</b>	<b>1.00</b>	*

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

### Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts and current maturities of long term debts grouped under current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.12.2022.

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors and Promoters.*

*Our Board, in its meeting held December 30, 2022 determined that outstanding legal proceedings involving the Company, Directors and Promoters will be considered as material litigation (‘‘Material Litigation’’) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company as per the Audited financial statement of the company for the period ended on December 31, 2022 being Rs 10.22 lakhs or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5.00% of the Company’s trade payables as per the last restated financial statements.*

#### **A. LITIGATION INVOLVING THE COMPANY**

##### **(a) Criminal proceedings against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings against the Company.

##### **(b) Criminal proceedings filed by the Company**

- i. Our Company (hereinafter referred to as ‘**Complainant**’) has filed a Complaint Case being CC No. 161 of 2021 against M/s. 3A Enterprises (hereinafter referred to as ‘**Accused**’) before Court of the 21 A.C.M.M. Court at Bengaluru (‘**Hon’ble Court**’) under the section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 7,45,758.30. The Accused had issued cheque towards discharge of his liabilities towards Complainant but the cheques were dishonored. The same is pending adjudication before the Hon’ble Court. The next date of hearing is on June 20, 2023.
- ii. Our Company (hereinafter referred to as ‘**Complainant**’) has filed a Complaint Case being Case No. CC No 5120/2021 against M/s. Jai Shiv Enterprises (hereinafter referred to as ‘**Accused**’) before Court of the 28 ADL C.M.M. Court at Bengaluru (‘**Hon’ble Court**’) under the section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 3,20,094/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon’ble Court. The next date of hearing is on July 13, 2023.
- iii. Our Company (hereinafter referred to as ‘**Complainant**’) has filed a Complaint Case being CC No. 5252 of 2021 against M/s. Maha Enterprises (hereinafter referred to as ‘**Accused**’) before Court of the 38 A.C.M.M. Court at Bengaluru (‘**Hon’ble Court**’) under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 27,30,013/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon’ble Court. The next date of hearing is on July 07, 2023.
- iv. Our Company (hereinafter referred to as ‘**Complainant**’) has filed a Complaint Case being CC No. 25121 of 2021 against M/s. New Lifestyle Marketing (hereinafter referred to as ‘**Accused**’) before Court of the 28 ADL C.M.M. Court at Bengaluru (‘**Hon’ble Court**’) under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 3,04,199/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon’ble Court. The next date of hearing is on June 23, 2023.
- v. Our Company (hereinafter referred to as ‘**Complainant**’) has filed a Complaint Case being P.C.R. No. 14813 of 2022 against M/s. Rashmi Enterprises (hereinafter referred to as ‘**Accused**’) before Court of the 38 ADL C.M.M. Court at Bengaluru (‘**Hon’ble Court**’) under the provisions of Negotiable Instrument Act, 1881 for recovery of Rs. 17,61,418/-.

The case is disposed of with the direction to register a criminal complaint against the Accused. The Company is in the process to file a criminal complaint against the Accused. The next date of hearing is on June 16, 2023.

- vi. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being CC No. 18169 of 2020 against Sree Rama Steel Centre (hereinafter referred to as '**Accused**') before Court of the 38 ADL C.M.M. Court at Bengaluru ("**Hon'ble Court**") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 4.56 lakhs. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on July 12, 2023.
- vii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being CC No. 18168 of 2020 against M/s. Rekhami Electricals (hereinafter referred to as '**Accused**') before Court of the A.C.M.M. Court at Bengaluru ("**Hon'ble Court**") under the provisions of Negotiable Instrument Act, 1881 for recovery of Rs. 1,32,276/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on June 30, 2023.
- viii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being CC No. 8981 of 2021 against M/s. Royal Marketing (hereinafter referred to as '**Accused**') under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,97,249/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on July 12, 2023.
- ix. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. CC 5249 of 2021 against M/s. Y.S.R. Industries Pvt. Ltd. (hereinafter referred to as '**Accused**') before Court of the A.C.M.M. Court at Bengaluru ("**Hon'ble Court**") under the provisions of Negotiable Instrument Act, 1881 for recovery of Rs. 9,51,833/-. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on June 20, 2023.
- x. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. CC/32903/2021 against M/s. Sri Heena Marketing (hereinafter referred to as '**Accused**') before Court of the 38 ADL C.M.M. Court at Bengaluru ("**Hon'ble Court**") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 4,40,000/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on July 13, 2023.
- xi. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. CC/32908/2021 against M/s. Gajanana Marketing (hereinafter referred to as '**Accused**') before Court of the 38 ADL C.M.M. Court at Bengaluru ("**Hon'ble Court**") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,08,738/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on July 13, 2023.
- xii. Our Company (hereinafter referred to as '**Complainant**') has filed a Complaint Case being Case No. P.R.C No. 17551 of 2022 against M/s. Prithvi Enterprises (hereinafter referred to as '**Accused**') before the Court of Metropolitan Magistrate Court at Bangalore ("**Hon'ble Court**") under section 138 of Negotiable Instrument Act, 1881 for recovery of Rs.3,59,685/-. The Accused had issued cheque towards the payment of goods purchased from Complainant. On depositing the cheque, they were dishonored and therefore this case has been filed by the Complainant. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on June 27, 2023.

**(c) Other pending material litigations against the Company**

- i. M/s. Santhoshi Matha New Marketing (hereinafter referred to as '**Appellant**') has filed Criminal Appeal No. 461 of 2022 against our Company (hereinafter referred to as '**Respondent**') before the Court of Principal City Civil and Sessions Judge at Bengaluru ("**Hon'ble Court**") challenging an order dated 28.02.2022 passed in CC No. 6133/2019 in which M/s. Santhoshi Matha New Marketing/Appellant is convicted and is sentenced to pay our Company a fine of Rs. 11,45,000/-. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on July 07, 2023

**(d) Other pending material litigations filed by the Company**

- i. Our Company (hereinafter referred to as '**Decree Holder**') has filed an Execution Petition being EX No. 2268 of 2018 against M/s. Laxmi Priya Enterprises (hereinafter referred to as '**Judgment Debtor**') before City Civil Court at Bangalore ("**Hon'ble Court**") for recovery of Rs. 15,10,551/-. The execution petition was filed after the order dated April 5, 2018 by the Hon'ble City Civil & Sessions Judge at Bangalore, whereby the Judgment Debtor was directed to pay the recovery amount to Decree Holder. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on August 04, 2023.
- ii. Our Company (hereinafter referred to as '**Decree Holder**') has filed a Commercial Execution Petition bearing No. 434 of 2022 against M/s. Yog Sidhi Merchandise (hereinafter referred to as '**Judgment Debtor**') before the Commercial Courts at Bangalore ("**Hon'ble Court**") for recovery of Rs. 19,92,832/-. The execution petition was filed after the order dated July 01, 2022 by the Hon'ble Additional City Civil & Sessions Judge at Bangalore, whereby the Judgment Debtor was directed to pay the recovery amount to Decree Holder. The same is pending adjudication before the Hon'ble Court. The next date of hearing is on July 15, 2023.

**(e) Actions by statutory and regulatory authorities against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

**B. LITIGATIONS INVOLVING THE PROMOTERS AND DIRECTORS OF THE COMPANY**

**Vikas Kumar Sukhlal Jain**

**(a) Criminal proceedings against the Promoters and Directors of the Company**

- i. Mr. Rudrappa (hereinafter referred to as '**Complainant**') has filed a complaint under Section 338 of IPC being CC 24542/2017 against R. Ramesh, Harish, Naresh D. Nagar and Vikas Jain (hereinafter referred to as '**Accused**'). Mr. Vikas Jain, one of the accused in the case is Whole Time Director and Promoter of our Company. The Complainant's son was working with our Company as a fitter. While working, the pressing machine fell on his right forearm and injured him. Therefore, the father i.e. the Complainant has filed this case against the Accused. The same is pending adjudication and next date of hearing is on July 14, 2023.

**(b) Criminal proceedings filed by the Promoters and Directors of the Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Directors of the Company.

**(c) Other pending material litigations against the Promoters and Directors of the Company**

As on the date of this Red Herring Prospectus, there are no such outstanding litigations against the Promoters and Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**(d) Other pending material litigations filed by the Promoters and Directors of the Company**

**M/s Siddhartha Enterprises (Proprietor Vikas Kumar Sukhlal Jain)**

- (i) M/s. Siddhartha Enterprises (hereinafter referred to as '**Plaintiff**') has filed a Suit before City Civil Court at Bangalore ("**Hon'ble Court**") bearing case no. Com. O.S. No. 303 of 2019 against M/s. R.K. Traders (hereinafter referred to as '**Defendant**') for recovery of Rs.44,39,700/- along with interest. The Plaintiff had issued several bills for the purchase made by the Defendants. Out of such bills some bills were unpaid. Hence, the present suit is pending adjudication before the Hon'ble Court.
- (ii) M/s. Siddhartha Enterprises (hereinafter referred to as '**Plaintiff**') has filed a Suit before City Civil Court at Bangalore ("**Hon'ble Court**") bearing case no. Com. O.S. No. 26144 of 2020 against M/s. Naha Blue Link Inc. and others (hereinafter referred to as '**Defendant**') for recovery of Rs.12,00,000/- along with interest. The Defendant had purchased

goods on credit basis from Plaintiff and failed to pay the amount. Hence, the present suit is pending adjudication before the Hon'ble Court.

**(e) Actions by statutory and regulatory authorities against the Promoters and Directors of the Company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors.

**C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY**

As on the date of this Red Herring Prospectus, we do not have any Group Company.

**D. TAX PROCEEDINGS**

<b>Nature of Proceedings</b>	<b>Number of cases</b>	<b>Amount involved* (Rs. in lakhs)</b>
<i>Against the company</i>		
Direct Tax (Income Tax)	5	3.97
Indirect Tax	3	84.36
<i>Filed by the company</i>		
Direct Tax (Income Tax)	1	unascertainable
<b>Total</b>	<b>9</b>	<b>88.33</b>
<i>Against the Promoters and Directors</i>		
<i>Vikash Kumar Sukhlal Jain (HUF)</i>		
Income Tax	1	3.84
<b>Total</b>		<b>3.84</b>

*\*To the extent quantifiable*

**AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on December 31, 2022 were Rs. 6429.12 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 321.46 lakhs as on December 31, 2022. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on December 30, 2022. As on December 31, 2022, there are 2 creditors to each of whom our Company owes amounts exceeding 5% of our Company's total trade payables and the aggregate outstanding dues to them being approximately Rs. 2471.39 lakhs. The details pertaining to amounts due towards material creditors are available on the website of our Company. Further, based on the information available with the Company, there are 84 creditors, having an aggregate due amount of Rs. 4033.90 lakhs which are registered under the Micro, Small and Medium Enterprises Development Act, 2006.

As on December 31, 2022, our Company owes amounts aggregating to Rs. 6429.12 lakhs approximately towards 626 creditors. There are no disputes with such entities in relation to payments to be made to them.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 242 of this Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.*

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated February 15, 2023 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the annual general meeting of our Company held on February 17, 2023 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated March 23, 2023.
- d. Our Board approved this Red Herring Prospectus pursuant to its resolution dated June 15, 2023.

#### **Approval from the Stock Exchange:**

- e. In-principle approval dated May 25, 2023 from the NSE for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

#### **Agreements with NSDL and CDSL:**

- f. The company has entered into an agreement dated December 23, 2022 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
- g. Similarly, the Company has also entered into an agreement dated December 23, 2022 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
- h. ISIN No.: INE007P01015

### II. INCORPORATION RELATED APPROVALS

Sr. No	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	U29300KA2010PLC054118	Companies Act, 1956	Registrar of Companies, Karnataka	June 18, 2010	Valid till Cancelled
2.	Certificate for Commencement of Business	U29300KA2010PLC054118	Companies Act, 1956	Registrar of Companies, Karnataka	September 03, 2010	Valid till Cancelled

### III. TAX RELATED APPROVALS

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department	AAECG0362Q	June 18, 2010	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	Income Tax Department	BLRG18856F	-	Valid until cancelled
3.	Certificate of registration of Goods and Service tax (Karnataka)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	29AAECG0362Q1Z6	July 01, 2017	Valid until cancelled
4.	Certificate of registration of Goods and Service tax (Himachal Pradesh)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	02AAECG0362Q1ZM	April 17, 2018	Valid until cancelled
5.	Certificate of registration of Goods and Service tax (Bihar)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	10AAECG0362Q1ZP	November 24, 2021	Valid until cancelled
6.	Certificate of registration of Goods and Service tax (Delhi)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	07AAECG0362Q1ZC	July 16, 2021	Valid until cancelled
7.	Certificate of registration of Goods and Service tax (Gujarat)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	24AAECG0362Q1ZG	July 06, 2018	Valid until cancelled
8.	Certificate of registration of Goods and Service tax (Haryana)	Haryana Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	06AAECG0362Q1ZE	November 26, 2021	Valid until cancelled
9.	Certificate of registration of Goods and Service tax (Maharashtra)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	27AAECG0362Q1ZA	July 14, 2021	Valid until cancelled
10.	Certificate of registration of Goods and Service tax (Odisha)	Odisha Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	21AAECG0362Q1ZM	December 14, 2018	Valid until cancelled
11.	Certificate of registration of Goods and Service tax (Rajasthan)	Rajasthan Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	08AAECG0362Q1ZA	November 06, 2019	Valid until cancelled
12.	Certificate of registration of Goods and Service tax (Tamil Nadu)	Tamil Nadu Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	33AAECG0362Q1ZH	January 29, 2021	Valid until cancelled



Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
13.	Certificate of registration of Goods and Service tax (Telangana)	Telangana Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	36AAECG0362Q1ZB	November 01, 2021	Valid until cancelled
14.	Certificate of registration of Goods and Service tax (Uttar Pradesh)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	09AAECG0362Q1Z8	January 31, 2020	Valid until cancelled
15.	Certificate of registration of Goods and Service tax (West Bengal)	West Bengal Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	19AAECG0362Q1Z7	November 02, 2020	Valid until cancelled
16.	Professional Tax Registration (Karnataka)	The Karnataka Tax on Profession, Trades, Callings and Employment Act, 1976	-	378700751	-	Valid until cancelled

*\*Our company has obtained GST registrations by the Govt. of India and the State Governments for GST payments in the states where our business operations are situated.*

#### IV. GENERAL APPROVALS

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	The Foreign trade (Development and Regulation) Act, 1992	Foreign Trade Development Officer	0713025409	December 16, 2013	Valid until cancelled
2.	Udyam Registration Certificate	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprise	UDYAM-KR-03-0067241	May 01, 2021	Valid until cancelled
3.	Certificate of Registration under Legal Metrology	The Legal Metrology (Packaged Commodities) Rules, 2011	Department of Legal Metrology	1120900/16-17	Issued on September 08, 2015; Amended on January 27, 2023	Valid until cancelled
4.	LEI Certificate	-	LEI Register India Private Limited	894500KDO4MH1 XBUR745	October 01, 2021	October 01, 2023

#### V. LABOUR RELATED APPROVALS OBTAINED BY OUR COMPANY

a) Factory Unit 1 situated at No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560058

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under ESI	Employees State Insurance Act, 1948	Sub-Regional Office, Employee's State Insurance Corporation	49000341250000999	December 22, 2014	Valid till cancelled

2.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	PYPNY1047269	March 20, 2015	Valid till Cancelled
3.	Contract labour Registration	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour	ALC-B-1/CLA/P-11211154/2022-23	February 07, 2023	Valid till Cancelled

- b) Factory Unit 2 situated at Plot No 246 Sompura Industrial Area Niduvandha Village Bangalore Bangalore Rural Karnataka – 562111

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under ESI	Employees State Insurance Act, 1948	Sub-Regional Office, Employee's State Insurance Corporation	49490341250010999	April 16, 2021	Valid till cancelled
2.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	PYPNY2359517000	April 22, 2021	Valid till Cancelled
3.	Contract labour Registration	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour	ALC-B-2/CLA/P-11211184/2022-23	February 08, 2023	Valid till Cancelled

- c) Factory Unit 3 situated at Plot No. 30-A (Part), Survey No. 63, Dobaspet 1 Phase Industrial Area, Yedehally Village, Sompura Hobli, Nelamangala, Bangalore

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under ESI	Employees State Insurance Act, 1948	Sub-Regional Office, Employee's State Insurance Corporation	49490341250020999	December 14, 2022	Valid till cancelled
2.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	PYPNY2832234000	December 30, 2022	Valid till Cancelled
3.	Contract labour Registration	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour	ALC-B-2/CLA/P-11211185/2022-23	February 08, 2023	Valid till Cancelled

- d) Factory Unit 4 situated at Khasra No. 423, Village Naryal, Sector-4, Parwanoo, Tehsil Kasauli, Distt. Solan, Himachal Pradesh – 173 220

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under ESI	Employees State Insurance Act, 1948	Regional Office, Employee's State Insurance Corporation	14490341250010999	April 30, 2018	Valid till cancelled
2.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	HPSML1733222000	May 28, 2018	Valid till Cancelled

- e) Warehouse situated at Plot No. 245-P1, Sompura 1<sup>st</sup> Stage Industrial Area, Survey Nos. parts of 141, 142 and 143, Nidavananda Village, Sompura Hobli, Nelamangala Taluk, Bangalore

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration Certificate Of Establishment (Warehouse)	Karnataka Shops and Commercial Establishments Act. 1961	Office of Labour Inspector	NML/NID/S/0003/2022	October 07, 2022	December 31, 2026

## VI. APPROVALS OBTAINED IN RELATION TO BUSINESS OPERATIONS OF OUR COMPANY

Our Company requires various approvals and/or licenses to carry on our business. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

- a) Factory Unit 1 situated at No. 477 E, IV Phase, Peenya Industrial Area, Bangalore – 560058

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Factory License	Factories Act, 1948 and Karnataka Factories Rule, 1969	Factories, Boilers, Industrial Safety and Health Department, Karnataka	MYB-21476	February 01, 2023	December 31, 2024
2.	Extension of Consent Order /Consent for Operation	Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) act, 1981	Karnataka State Pollution Control Board	KSPCB/RO-Peenya/F No. 1051/2022-23/546	January 24, 2023	December 31, 2023

- b) Factory Unit 2 situated at Plot No 246 Sompura Industrial Area Niduvandha Village Bangalore Bangalore Rural Karnataka – 562111

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Factory License	Factories Act, 1948 and Karnataka Factories Rule, 1969	Factories, Boilers, Industrial Safety and Health Department, Karnataka	MYB-25682	December 08, 2021	December 31, 2023
2.	Consent for	Water (Prevention &	Karnataka State	AW-114807	October 21,	December 31,

	Operation	Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) act, 1981	Pollution Control Board		2021	2034
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- c) Factory Unit 3 situated at Plot No. 30-A (Part), Survey No. 63, Dobaspet 1 Phase Industrial Area, Yedehally Village, Sompura Hobli, Nelamangala, Bangalore

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Factory License	Factories Act, 1948 and Karnataka Factories Rules, 1969	Factories, Boilers, Industrial Safety and Health Department, Karnataka	MYB-27172	November 23, 2022	December 31, 2023

- d) Factory Unit 4 situated at Khasra No. 423, Village Naryal, Sector-4, Parwanoo, Tehsil Kasauli, Distt. Solan, Himachal Pradesh – 173 220

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Factory License	Factories Act, 1948	Chief Inspector of Factories, Himachal Pradesh	L&E (FAC)9-2018462-2534	January 31, 2019	December 31, 2023
2.	Fire No Objection Certificate	-	Chief Fire Officer, Directorate Of Fire Services Himachal Pradesh Shimla-2	App/03/08/21/8/843	March 25, 2021	March 24, 2023
3.	Consent to Operate	Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981.	H.P.State Pollution Control Board	CTO/BOTH/RENEW/RO/2022/5297828	April 01, 2022	March 31, 2025

**VII. APPROVALS PERTAINING TO PROPOSED NEW MANUFACTURING UNIT SITUATED AT PLOT NO. 503, 504 & 505, SY NO. 96, VASANTHANARASAPURA 2ND PHASE INDUSTRIAL AREA, YALLADADLLU VILLAGE, KORA HOBLI, TUMAKURU**

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Consent for Establishment (503/504/505, Vasanthanarasapura, 2 <sup>nd</sup> Phase, Tumkur)	Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) act, 1981	Karnataka State Pollution Control Board	CTE-308473	November 16, 2018	September 30, 2023
2.	System generated auto assessment for Height Clearance (Site Address: KIADB Vasanthanarasapura Industrial Area, Plot No, 503, 504, 505)	Govt. of India (Ministry of Civil Aviation) order GSR 751(E) dated 30 <sup>th</sup> Sep. 2015	General Manager, Airport Authority of India	JAKK/SOUTH/B/040 618/295480	April 06, 2018	Valid till Cancelled
3.	Contract labour Registration	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour	ALC-B-1/CLA/P-11205427/2021-22	December 23, 2021	Valid till Cancelled

# **VIII. QUALITY CERTIFICATIONS FOR FACTORY UNIT 1, 2 AND 3**

Sr. No.	Description	Nature of Registration	Registration/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1	ISO 9001:2015 (Karnataka)	Quality Management Systems: manufacture of LPG stoves, pressure cooker, mixer grinder, Non-stick cookware, wet grinder, induction cook top, room Heater, electric kettle, electric rice cooker, mop, S S utensils, Fan, trading of kitchen & home appliances	GKIN-0231-QC	Accredited Management Systems Certification Body	August 30, 2021	August 29, 2024

# **IX. QUALITY CERTIFICATIONS FOR FACTORY UNIT 4**

Sr. No.	Description	Nature of Registration	Registration/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
2.	ISO 9001:2015 (Himachal Pradesh)	Quality Management Systems: Manufacturing & Supply of LPG Stoves, Rubber Hose Pipe & it's Spare parts	Q-91 17062872	Accredited by United Accreditation Foundation Inc. (UAF)	June 17, 2021	June 16, 2024

# **X. BIS CERTIFICATIONS ISSUED TO OUR COMPANY BY BUREAU OF INDIAN STANDARDS**

Sr. No.	Description	Nature of Registration	Registration/ Certificate No.	Date of Expiry
1	IS 4246 : 2002	BIS Licence for Domestic Gas Stoves for use with Liquefied Petroleum Gases	7355577	November 30, 2023
2	IS 9573 : PART 2 : 2017	BIS Licence for Rubber Hose For Liquefied Petroleum Gas (LPG) – Specification Part 2 Domestic And Commercial Application	9600021615	July 31, 2023
3	IS 302 : PART 2 :SEC 30 : 2007	BIS Licence for Safety of household and similar electrical appliances: Part 2Particular requirements, Section30 Room Heaters	6200165599	March 09, 2024
4	IS 4250 : 1980	BIS Licence for Domestic Electric Food-Mixers(Liquidizes and Grinders)	6200146090	January 13, 2024
5	IS 4246 : 2002	BIS Licence for Domestic Gas Stoves for use with Liquefied Petroleum Gases	6248268	November 29, 2023
6	IS 2347 : 2017	BIS Licence for Domestic Pressure cookers	6718279	June 18, 2023
7	IS 9573 : PART 2 : 2017	BIS Licence for Rubber Hose For Liquefied Petroleum Gas (LPG) – Specification Part 2 Domestic And Commercial Application	9600021615	July 31, 2023
8	IS 1660 : 2009	BIS Licence for Wrought Aluminium-Utensils Specification	6200133889	June 20, 2023












# **XI. BEE CERTIFICATIONS ISSUED TO OUR COMPANY BY BUREAU OF ENERGY EFFICIENCY ON DECEMBER 31, 2012 VALID UPTO DECEMBER 31, 2024 FOR AUTHORISATION TO USE LABELS AS UNDER:**

Sr. No.	Description	Application No.
1	The Label for Domestic Gas Stove (Budgetline)	120732
2	The Label for Domestic Gas Stove (Crysta)	132115
3	The Label for Domestic Gas Stove (Crysta)	132116

4	The Label for Domestic Gas Stove (Crysta)	132117
5	The Label for Domestic Gas Stove (Galaxy)	117301
6	The Label for Domestic Gas Stove (Jumbo)	117299
7	The Label for Domestic Gas Stove (MILLENEUM)	55116
8	The Label for Domestic Gas Stove (SURYA DLX)	55112
9	The Label for Domestic Gas Stove (NANO)	55088
10	The Label for Domestic Gas Stove (Supreme)	64618
11	The Label for Domestic Gas Stove (Surya)	55098

## **XII. INTELLECTUAL PROPERTY RELATED APPROVAL**




The details of trademarks registered by our Company are:-

Sr. No.	Brand Name/Logo/ Trademark	Class	Status
1		7	Registered
2		7	Registered
3		99	Registered
4		9, 35	Registered
5		99	Registered
6		7, 9, 11, 21, 35	Registered
7		7, 21	Registered
8		9, 17	Registered
9		9, 11, 17, 21, 35	Registered
10		9, 11	Registered
11		11, 35	Registered
12	<a href="http://www.greenchef.in">www.greenchef.in</a>	9, 11, 17, 21	Registered
13	Greenchef Classic	17	Registered
14	Greenchef (Label)	11	Registered
15	Dream Come True	7,9,11,31 & 35	Registered

The details of Trademarks applied by our Company which are opposed as on date of the Red Herring Prospectus:

Sr. No	Brand Name/Logo/ Trademark	Class	Status
1	<a href="http://www.greenchef.in">www.greenchef.in</a>	7, 35	Opposed
2		7	Opposed
3		11	Opposed
4		7, 11, 21, 35	Objected
5		7, 17, 21,35	Opposed
6		21	Objected
7		9, 17, 35	Objected
8		17	Rectification Filed

The details of Trademarks applied in the name of our Promoters, Vikas Kumar Sukhlal Jain which are opposed as on date of the Red Herring Prospectus:

Sr. No.	Brand Name/Logo/ Trademark	Class	Application Number	Status
1		9, 35	2509690	Refused
2		21	1319477	Rectification Filed
3		11, 21	2537653	Opposed

Design registration issued to our company by the Patent Office valid for Ten years from the Registration:

Sr. No.	Design Number	Article Name & Class	Date of Issue
1	277833	Gas Stove: 07-02-Cooking Appliances, Utensils And Containers	September 12, 2016
2	286481	Gas Stove: 07-02-Cooking Appliances, Utensils And Containers	November 15, 2016
3	298986	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	November 19, 2018
4	298987	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	May 15, 2019
5	298988	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	November 19, 2018
6	349620-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	November 24, 2021
7	349621-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	November 22, 2021
8	374308-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	January 04, 2023
9	321790-001	Wet Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	December 09, 2020
10	316867-001	Knob For Stove: 07-02-Cooking Appliances, Utensils And Containers	May 12, 2022
11	312880-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	January 04, 2021
12	312882-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	January 07, 2022
13	349741-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	October 14, 2022
14	349622-001	Mixer Grinder: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	November 05, 2021
15	316882-001	Gas Stove: 07-02-Cooking Appliances, Utensils And Containers	June 08, 2022
16	316880-001	Knob For Stove: 07-99-Miscellaneous	December 03, 2019
17	316883-001	Knob For Stove: 07-02-Cooking Appliances, Utensils And Containers	August 03, 2022
18	374309-001	Mixer Grinde: 31-00-Machines And Appliances For Preparing Food Or Drink, Not Elsewhere Specified	January 31, 2023

### **XIII. APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL:**

- 1) Our Company has applied for Fire NOC to the Chief Fire Officer by application dated February 01, 2023 for our factory Unit 1, 2 and 3 situated at Bangalore.
- 2) Our Company has applied for “Consent for Establishment” and “Consent for Operation” to the Karnataka State Pollution Control Board by application dated October 28, 2010 and February 20, 2023 for Factory Unit 3 situated at Bangalore.

## **OUR GROUP COMPANIES**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated December 30, 2022 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as Group companies if such company fulfills both the below mentioned conditions:-

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
- ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Except as stated, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

1. Ganga Consumer Durables Limited
2. Subhash Distributors Limited
3. Greenchef Manufacturers & Distributors Private Limited

### **Details of our Group Companies:**

#### **1. Ganga Consumer Durables Limited (“GCDL”)**

Ganga Consumer Durables Limited was incorporated on March 01, 2000 with the name as Subhash World Travels India Limited under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Karnataka, Bangalore.

<b>CIN</b>	U63040KA2000PLC026497
<b>PAN</b>	AAFCS2697K
<b>Registered Office</b>	18/3, I Main Road, Sampangiramanagar Bangalore - 560 027, Karnataka, India

#### **2. Subhash Distributors Limited (“SDL”)**

Subhash Distributors Limited was incorporated on November 22, 1995 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Karnataka, Bangalore.

<b>CIN</b>	U85110KA1995PLC019236
<b>PAN</b>	AACCS3799K
<b>Registered Office</b>	76/1, 3rd Floor, Mission Road, Bangalore – 560 027, Karnataka, India

#### **3. Greenchef Manufacturers & Distributors Private Limited (“GMDPL”)**

Greenchef Manufacturers & Distributors Private Limited was incorporated on December 12, 2013 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Himachal Pradesh.

<b>CIN</b>	U29219HP2013PTC000608
<b>PAN</b>	AAGCG3012M
<b>Registered Office</b>	Kasauli Road, Sector 4, Parwanoo, Solan – 173 220, Himachal Pradesh, India



## **Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements of our group companies are available on the website of our company at <https://greenchef.in/investors>

It is clarified that such details available on our group companies' websites do not form a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

### **Other Confirmations:**

- a) None of our Group Companies has made any public and/or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- d) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

### **Common pursuits among Group Companies**

As on the date of this Red Herring Prospectus, none of our Group Companies are engaged in the similar line of business as of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Companies and in circumstances where our respective interests diverge.

### **Nature and extent of interest of our Group Companies**

#### **a) Interest in the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company.

#### **b) Interest in the property acquired or proposed to be acquired by the Company**

Except for the factory unit 4 of our company situated at Khasra No. 423, Villag Nariyal, Near Sector-4, Parwanoo- 173220 which is taken on rent from our group company Greenchef Manufacturers & Distributors Private Limited, wherein our Directors, Sukhlal Jain and Praveen Kumar Sukhlal Jain are interested as Directors, none of our Group Companies have any interest in the property acquired or proposed to be acquired by the Company

#### **c) Interest in transactions for acquisition of land, construction of building, or supply of machinery**

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery.

### **Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section *"Financial Information –Note – ZA: Related Party Transactions"* on page 227 there are no related business transactions between the Group Companies and our Company.

### **Business interest of our Group Companies in our Company**

Except as disclosed in the section *"Financial Information – Note – ZA: Related Party Transactions"* on page 227, our Group Companies have no business interests in our Company.

### **Litigations**

Our Group companies do not have any pending litigation which can have a material impact on our company.

### **Undertaking / Confirmations by our Group Companies**

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

*The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. <https://greenchef.in/>*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### **Authority for the Issue:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on February 15, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on February 17, 2023 authorized the Issue.

#### **In-principle Approval:**

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Offer Documents pursuant to an approval letter dated May 25, 2023 NSE is the Designated Stock Exchange.

### **Prohibition by SEBI or other Governmental Authorities:**

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/ court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter *“Outstanding Litigations and Material Development”* beginning on page 253 of this Red Herring Prospectus.

### **Association with Securities Market:**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

### **Prohibition by RBI:**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter *“Outstanding Litigations and Material Development”* beginning on page 253 of this Red Herring Prospectus.

### **Prohibition with respect to wilful defaulters or a fraudulent borrower:**

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018:**

Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Red Herring Prospectus.

### **Eligibility for the Issue:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Offer.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “NSE Emerge”).

### **We confirm that:**

- 1) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled “*General Information – Underwriting*” beginning on page 54 of this Red Herring Prospectus.
- 2) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- 3) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Red Herring Prospectus/Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Red herring Prospectus/Prospectus.
- 4) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on NSE Emerge. For further details of the arrangement of market making please refer to section titled “*General Information – Details of the Market Making Arrangements for this Issue*” beginning on page 54 of this Red Herring Prospectus.
- 5) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
- 6) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
- 7) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited is the Designated Stock Exchange.
- 8) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated December 23, 2022 and National Securities Depository Limited (NSDL) dated December 23, 2022 for establishing connectivity.
2. Our Company has a website i.e. <https://greenchef.in/>

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE EMERGE:-

There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE EMERGE.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

1. Our company was originally incorporated as Greenchef Appliances Limited under the provisions of the Companies Act, 1956 and certificate of Incorporation was issued on June 18, 2010 by Register of Companies Karnataka, Bangalore. The Corporate Identification Number of our Company is U29300KA2010PLC054118.
2. The post issue paid up capital of the company will be 2,32,71,840 equity shares of face value of Rs.10/- aggregating up to Rs. 2,327.18 which is less than Rs. 25 Crores.
3. The Company has a track record of at least 3 years as on the date of filling Red Herring Prospectus.
4. As on December 31, 2022, the Company has net tangible assets of Rs. 20232.73 lakhs.
5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on December 31, 2022, March 31, 2022, 2021 and 2020 is positive.

Particulars	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
EBITDA	1,761.77	728.60	858.34	699.99
Net Worth	6,062.39	5,170.68	5,093.27	4,854.57

6. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
8. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
9. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
10. The Directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
11. There is no change in promoters of the Company in preceding one year.

#### **DISCLAIMER CLAUSE OF SEBI**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGERS, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, HEM SECURITIES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, HEM SECURITIES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 23, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF 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 BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.”

All legal requirements pertaining to this issue will be complied with at the time of filing of the Red Herring Prospectus /Prospectus with the registrar of companies, Karnataka, in terms of section 26, 32 and section 33 of the companies act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Lloyds Luxuries Limited	24.00	40.00	October 11, 2022	45.15	25.63% [6.15%]	29.75% [6.58%]	-44.87% [3.77%]
2.	Vedant Asset Limited	3.00	40.00	October 12, 2022	65.00	44.25% [5.91%]	37.50% [4.32%]	-1.82% [3.85%]
3.	Baheti Recycling Industries Limited	12.42	45.00	December 08, 2022	120.00	174.67% [-2.73%]	107.78% [4.82%]	135.22% [0.14%]
4.	Chaman Metallica Limited	24.21	38.00	January 16, 2023	68.00	44.47% [0.68%]	19.74% [-1.05%]	N.A.
5.	Earthstahl & Alloys Limited	12.96	40.00	February 08, 2023	55.00	22.50% [1.41%]	45.83% [1.81%]	N.A.
6.	Macfos Limited	23.75	102.00	March 01, 2023	184.00	69.61% [0.71%]	174.41% [5.99%]	N.A.
7.	Systango Technologies Limited	34.82	90.00	March 15, 2023	98.00	110.56% [5.00%]	132.56% [10.28%]	N.A.
8.	Labelkraft Technologies Limited	4.75	55.00	March 23, 2023	56.00	0.27% [3.68%]	N.A.	N.A.

9.	Vasa Denticity Limited	54.06	128.00	June 02, 2023	211.00	N.A.	N.A.	N.A.
10.	Hemant Surgical Industries Limited	24.84	90.00	June 05, 2023	171.00	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

1. The scrip of Chaman Metallics Limited, Earthstahl & Alloys Limited and Macfos Limited and Systango Technologies Limited has not completed its 180<sup>th</sup> days from the date of listing; Labelkraft Technologies Limited has not completed its 90<sup>th</sup> days from the date of listing and Vasa Denticity Limited and Hemant Surgical Industries Limited has not completed its 30<sup>th</sup> days from the date of listing.

#### Summary Statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ 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%
2021-22	6 <sup>(1)</sup>	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15 <sup>(2)</sup>	196.83	-	-	-	6	5	3	-	-	-	7	-	3
2023-24	2 <sup>(3)</sup>	78.90	-	-	-	-	-	-	-	-	-	-	-	-

- 1) The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021 and March 28, 2022 respectively; and
- 2) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023.
- 3) The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023.

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

#### Track Record of past issues handled by Hem Securities Limited:

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: <https://www.hemsecurities.com/>

**Disclaimer from our Company and the Book Running Lead Manager:**

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Managers (Hem securities Limited), our Company on March 18, 2023 and addendum to the issue agreement dated June 15, 2023 and the Underwriting Agreement dated June 15, 2023 entered into between the Underwriters and our Company and the Market Making agreement dated June 15, 2023 entered into between the Market maker and Our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Disclaimer in respect of Jurisdiction:**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies, non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Bangalore, Karnataka only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the NSE Emerge (SME Platform of NSE):**



As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2283 dated May 25, 2023, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **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 outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and 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.

#### **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus with the SEBI/ ROC**

The Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Karnataka, E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034, Karnataka.

#### **Listing:**

The Equity Shares of our Company are proposed to be listed on NSE Emerge platform. Our Company has obtained in-principle approval from NSE by way of its letter dated May 25, 2023 for listing of equity shares on NSE (NSE Emerge platform).

NSE 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 NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring 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 NSE Emerge of NSE 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 Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
  - (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
  - (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,
- shall be liable for action under section 447.”

#### **Consents:**

Consents in writing of (a) Our Directors, the Company Secretary & Compliance Officer, Chief Financial Officer, Joint Chief Financial Officer, the Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Syndicate Member, Registrar to the Issue, Banker to the Offer (Sponsor Bank), Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Patel Shah and Joshi, Chartered Accountants, Statutory Auditor and Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated financial statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

#### **Experts Opinion:**

Except for the reports in the section *“Financial Information of the Company”* and *“Statement of Special Tax Benefits”* on page 195 and page 94 from the Statutory Auditors, 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.

#### **Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Issue Agreement dated March 18, 2023 and Addendum to the Issue agreement dated June 15, 2023 with the Book Running Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated June 15, 2023 with Underwriter and (iii) the Market Making Agreement dated June 15, 2023 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Prospectus until the Issue Closing Date.

#### **Fees Payable to the Registrar to the Issue:**

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated March 21, 2023 and addendum to Registrar agreement dated June 15, 2023 a copy of which is available for inspection at our Company’s 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 to the Registrar to the Offer to enable it to send allotment advice by registered post/speed post/ email.

**Particulars regarding Public or Rights Issues during the last five (5) years:**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 63 of this Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public Offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

**Performance vis-a-vis objects – Public/right issue of our Company:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

**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.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Red Herring Prospectus.

**Partly Paid-Up Shares:**

As on the date of this Red Herring 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 Red Herring Prospectus.

**Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Mechanism for Redressal of Investor Grievances:**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM 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.

#### **Disposal of Investor Grievances by our Company:**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Aarti Panigrahi, Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Ms. Aarti Panigrahi**  
**Company Secretary & Compliance Officer**  
**Greenchef Appliances Limited**  
**Address:** 477E, 12th, 3rd Main Rd,  
Peenya Industrial Area Phase IV,  
Peenya, Bengaluru, Karnataka - 560 058.  
Tel No: 9158455717  
E-mail: [cs@greenchef.in](mailto:cs@greenchef.in)  
Website: <https://greenchef.in/>

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Board by a resolution on December 30, 2022 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “**Our Management**” beginning on page 173 of this Red Herring Prospectus.

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

#### **Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

#### **Tax Implications:**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “**Statement of Special Tax Benefits**” beginning on page 94 of this Red Herring Prospectus.

#### **Purchase of Property:**

Other than as disclosed in Section “**Our Business**” beginning on page 96 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

#### **Capitalization of Reserves or Profits:**

Except as disclosed under section titled “*Capital Structure*” beginning on page 63 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

**Revaluation of Assets:**

Our Company has not revalued its assets in five (5) years preceding the date of this Red Herring Prospectus.

**Servicing Behaviour:**

Except as stated in this Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 173 and chapter titled “*Financial Information*” beginning on page 195 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any:**

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

## **SECTION VIII: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI 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, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants 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, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI.*

*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:**

The present Public Issue of upto 61,63,200 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on February 15, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on February 17, 2023 in accordance with the provisions of section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares:**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, "**Main Provisions of Article of Association**", beginning on page 320 of this Red Herring Prospectus.

#### **Mode of Payment of Dividend:**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI Listing Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the 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 dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further

Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “**Dividend Policy**” and “**Main Provisions of Article of Association**” beginning on page 194 and 320 respectively of this Red Herring Prospectus

#### **Face Value and Issue Price:**

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the Book Running Lead Manager and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Bengaluru edition of Udayakala, a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **ICDR Regulations, 2018:**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Compliance with Disclosure and Accounting Norms:**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders:**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI Listing Regulations, MOA and AOA of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled “**Main Provisions of the Articles of Association**” beginning on page 320 of this Red Herring Prospectus.

#### **Allotment of Equity Shares in dematerialized form:**

As per the provisions of the Depositories Act, 1996 and the regulations made thereunder and pursuant to Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated December 23, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated December 23, 2022 between CDSL, our Company and Registrar to the Issue.

### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge (SME platform of NSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees:**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

### **Jurisdiction:**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Bengaluru, Karnataka.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders:**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor:**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in 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 the Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.



Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself for herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (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 is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Period of Subscription List of Public Issue:**

<b>Event</b>	<b>Indicative Dates</b>
Bid/ Issue Opening Date	June 23, 2023 <sup>1</sup>
Bid/ Issue Closing Date	June 27, 2023 <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about July 03, 2023
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about July 04, 2023
Credit of Equity Shares to Demat Accounts of Allottees	On or about July 05, 2023
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about July 06, 2023

*Note <sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations*

*<sup>2</sup>Our Company in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the Bidder. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No:SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 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.

## **Submission of Bid**

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non- retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

### **On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

#### **Minimum Subscription and Underwriting:**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled **“General Information - Underwriting”** on page 54 of this Red Herring 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:**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board. Or

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores and if the company fulfills the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter 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.

#### **Market Making:**

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE Emerge), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company the Book Running Lead Manager and the Market Maker please refer to section titled ***“General Information - Details of the Market Making Arrangements for this Issue”*** on page 54 of this Red Herring Prospectus.

**Arrangements for disposal of odd lots:**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

**As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**Allotment of Equity Shares in Dematerialized Form:**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

**New Financial Instruments:**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

**Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI:**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting:**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled ***“Capital Structure”*** beginning on page 63 of this Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled ***“Main Provisions of the Articles of Association”*** beginning on page 320 of this Red Herring Prospectus.

**Pre-Issue Advertisement:**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

**Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be

prescribed by SEBI, providing reasons for not proceeding with the issue. The Book Running Lead Manager through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Issue paid up capital is more than ten crore rupees but less than twenty five crore rupees, 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 NSE Emerge i.e. SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "**Terms of the Issue**" and "**Issue Procedure**" on page 280 and 292 of this Red Herring Prospectus.

### **Issue Structure**

Initial Public Offer of upto 61,63,200 Equity Shares of ₹ 10 each (the "**Equity Shares**") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating upto ₹ [●] Lakhs ("**the Issue**") by the issuer Company (the "**Company**").

The Issue comprises a reservation of upto 3,12,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("**the Market Maker Reservation Portion**") and Net Issue to Public of upto 58,51,200 Equity Shares of ₹ 10 each ("**the Net Issue**"). The Issue and the Net Issue will constitute 26.48% and 25.14%, respectively of the post Issue paid up equity share capital of the Company.

The Issue is being made through the Book Building Process.

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation</b>	Upto 3,12,000 Equity Shares	Not more than 29,23,200 Equity Shares	Not less than 8,78,400 Equity Shares	Not less than 20,49,600 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	5.06% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Issue	Not less than 35% of the Issue
<b>Basis of Allotment <sup>(3)</sup></b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see " <b>Issue Procedure</b> " beginning on

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
		for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to 60% of QIB Portion (of upto [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	basis. For details, see <b><i>“Issue Procedure”</i></b> beginning on page 292 of this Red Herring Prospectus.	page 292 of this Red Prospectus.
<b>Mode of allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
<b>Mode of Bidding</b>	Only through the ASBA process.	Only through the ASBA process (Except for Anchor Investor)	Only through the ASBA process	Through ASBA Process, Through Banks or by using UPI ID for payment

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

- (1) *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- (3) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*
- (4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under **“Issue Procedure”** on page 292 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

#### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ 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 Book Running 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 Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with RoC.

#### **Bid/ Issue Program**

<b>Event</b>	<b>Indicative Date</b>
Bid/ Issue Opening Date	June 23, 2023
Bid/ Issue Closing Date	June 27, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about July 03, 2023
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from	On or about July 04, 2023



ASBA Account	
Credit of Equity Shares to Demat accounts of Allottees	On or about July 05, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about July 06, 2023

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

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ 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 bidders.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual bidders, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum- application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## **ISSUE PROCEDURE**

All Bidders should read the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – 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, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public Issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Bidders applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("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 (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with 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"). Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI

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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring 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.

### **Phased implementation of Unified Payments Interface**

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular

no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “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 until March 31, 2019 or floating of five mainboard public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had 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 continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, 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 is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.***

#### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;

- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **Applications not to be made by:**

- 1. Minors (except through their Guardians)
- 2. Partnership firms or their nominations
- 3. Foreign Nationals (except NRIs)
- 4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

##### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the Book Running Lead Manager will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Bengaluru Edition of Regional newspaper Udayakala where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Bengaluru edition of regional newspaper Udayakala where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “**Issue Procedure**” beginning on page 292 of this Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In



case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of Book Running Lead Manager and the Syndicate Members**

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRIS:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture

capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by

Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) 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;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

## **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

## **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

## **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

## **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

## **Terms of payment**

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Bidders applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “Greenchef Appliances Limited IPO – Anchor Account- R”
- b. In case of Non-Resident Anchor Investors: — “Greenchef Appliances Limited IPO – Anchor Account- NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.



4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not

available for subscription to other categories.

- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

#### **Illustration of the Book Building and Price Discovery Process:**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 292 of this Red Herring Prospectus.

#### **Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC**

- 1) Our company has entered into an Underwriting Agreement dated June 15, 2023
- 2) A copy of Red Herring Prospectus will be filed with the ROC and copy of Prospectus will be filed with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**

- 1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2. Ensure that you have Bid within the Price Band;
- 3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- 4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- 5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;

6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-Issue or post Issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

##### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

## Submission of Bids

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

## GROUND OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis.

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
- a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
  - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.



- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- (i) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- (ii) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (iii) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (iv) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (v) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.
- (vi) Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.
- (vii) The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com) with a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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."

### **Undertakings by Our Company**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. 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;
4. 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 Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter 's contribution in full has already been brought in;
6. That except for the Pre-IPO Placement, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 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 Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated December 23, 2022 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated December 23, 2022 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE007P01015.

## **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 of India has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”) issued the FDI Policy, which with effect from October 15, 2020 consolidated, subsumed superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as of and prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of 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 SEBI 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. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “Offer Procedure – Bids by Eligible NRIs” and “Offer Procedure – Bids by FPIs” on page 292.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. 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 Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

For further details, see “*Issue Procedure*” on page 292.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## **SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY**

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

<b>Article No.</b>	<b>Particulars</b>	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
<b>Interpretation Clause</b>		
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) "The Company" shall mean <b>GREENCHEF APPLIANCES LIMITED</b>	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In writing or written</b>
	(j) The marginal notes hereto shall not affect the construction thereof	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non Retiring Director</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a	<b>Proxy</b>

	member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
<b>Capital</b>		
3	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Share Capital</b>
4	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non-Voting Shares</b>
7	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the	<b>Provisions to apply on issue of Redeemable Preference Shares</b>

	<p>purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	<b>Reduction of capital</b>
11	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	<b>Debentures</b>
12	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>
13	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>	<b>ESOP</b>
14	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>	<b>Buy Back of shares</b>
15	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject Nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>	<b>Consolidation, Sub-Division And Cancellation</b>
16	<p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign</p>	<b>Issue of Depository Receipts</b>



	country.	
17	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>Modification Of Class Rights</b>		
18	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three- fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Shares at the disposal of the Directors.</b>
20	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
21	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
23	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as fullpaid-up</b>

24	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc.to be a debt payable immediately.</b>
25	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
26	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
<b>Return On Allotment To Be Made Or Restriction On Allotment</b>		
27	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	<b>Allotment</b>
<b>Certificate</b>		
28	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> <p>(d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is —"Issued in lieu of Share Certificate No..... sub-</p>	<b>Share Certificates.</b>

	divided/replaced/on consolidation of Shares”.	
29	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>
30	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint- holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	<b>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joinholders.</b>
31	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognize any interest in share other than that of registered holders</b>
32	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
<b>Underwriting And Brokerage</b>		
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>Calls</b>		
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them	<b>Directors may make calls</b>

	<p>respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board. A call may be made payable by installments.</p>	
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution</b>
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis</b>
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares</b>
43.	Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time	<b>Payments in Anticipation of calls may carry interest</b>

	<p>to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	
<b>Lien</b>		
45	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p> <p>Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p>	<b>Company to have Lien on shares.</b>
46	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	<b>As to enforcing lien by sale</b>
47.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<b>Application of proceeds of sale.</b>
<b>Forfeiture and Surrender of Shares</b>		
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided</p>	<b>If call or installment not paid, notice may be given.</b>

	that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	
49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	<b>Terms of notice.</b>
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	<b>On default of payment, shares to be forfeited.</b>
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
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 until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re- allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing	<b>Forfeiture may be remitted.</b>

	thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares</b>
	<b>Transfer And Transmission Of Shares</b>	
61	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
62	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. Provided that the company shall use a common form of transfer;	<b>Transfer Form.</b>
63	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	<b>Transfer not to be registered except on production of instrument of transfer.</b>
64	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— Any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever	<b>Directors may refuse to register transfer.</b>
65	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply	<b>Notice of refusal to be given to transferor and transferee.</b>
66	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>

67	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
68	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds</b>
69	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
70	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
71	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	<b>Recognition of legal representative.</b>
72	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	<b>Titles of Shares of deceased Member</b>
73	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to begin</b>
74	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in	<b>Registration of persons entitled to share otherwise than by transfer. (Transmission</b>



	respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	<b>clause).</b>
75	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
76	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
77	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
79	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>Nomination</b>		
80	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
81	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security</p>	<b>Transmission of Securities by nominee</b>

	<p>holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	
<b>Dematerialization of Shares</b>		
82	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
<b>Joint Holders</b>		
83	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
84	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
<b>Share Warrants</b>		
85	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
86	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor</p>	<b>Deposit of share warrants</b>

87	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	<b>Privileges and disabilities of the holders of share warrant</b>
88	(a) The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrantcoupons</b>
<b>Conversion of Shares Into Stock</b>		
89	The Company may, by ordinary resolution in General Meeting. (a) convert any fully paid-up shares into stock; and (b) Re-convert any stock into fully paid-up shares of any denomination.	<b>Conversion of shares into stock or reconversion.</b>
90	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
91	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
92	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	<b>Regulations.</b>
<b>Borrowing Powers</b>		
93	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
94	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
95	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company	<b>Securing payment or repayment of Moneys borrowed.</b>

	including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	
96	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
98	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
<b>Meeting of Members</b>		
99	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings	<b>Distinction between AGM &amp; EGM.</b>
100	(a) The Directors may, whenever they think fit, convene an Extra- Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
101	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
102	a.) The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013.  b.) A General meeting of the company including annual general meeting may be called after giving shorter notice than specified in above clause (a), if consent is accorded by the members of the company holding not less than 95% (Ninety Five percent) of such part of the paid up capital of the company as gives a right to vote at the meeting.	<b>Length of Notice for calling meeting</b>
103	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting	<b>Chairman of General Meeting</b>
104	No business, except the election of a Chairman, shall be discussed at any General	<b>Business confined to</b>

	Meeting whilst the Chair is vacant.	<b>election of Chairman whilst chair is vacant.</b>
105	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<b>Chairman with consent may adjourn meeting.</b>
106	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
107	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
108	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded	<b>Demand for poll not to prevent transaction of other business.</b>
<b>Votes of Members</b>		
109	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
110	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub- section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>
111	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
112	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
113	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
114	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
115	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone	<b>Votes of joint members.</b>

	be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	
116	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
117	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
118	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
119	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
120	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
121	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
122	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
123	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
124	No objection shall be raised to the qualification of any voter except at the meeting or	<b>Time for objections to</b>

	adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>votes.</b>
125	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
<b>Director</b>		
126	<p>The following are the First Directors of the Company:</p> <ol style="list-style-type: none"> <li>1. Sukhlal Jain;</li> <li>2. Kavitha Kumari; and</li> <li>3. Praveen Kumar Sukhlal Jain</li> </ol> <p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution</p>	<b>Number of Directors</b>
127	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
128	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	<b>Nominee Directors.</b>
129	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re- appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>
130	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
131	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Director's power to fill casual vacancies.</b>
132	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for)	<b>Sitting Fees.</b>

	shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	
133	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>Proceedings of the Board Of Directors</b>		
134	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
135	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
136	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
137	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
138	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board	<b>Directors may appoint committee.</b>
139	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
140	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
141	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
142	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been	<b>Acts of Board or Committee shall be valid notwithstanding defect in</b>



	terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>appointment.</b>
<b>Retirement and Rotation of Directors</b>		
143	At the Annual General Meeting of the Company to be held in every year, not less than two-thirds of the total number of Directors of the Company shall be the person whose period of office is liable to determination by retirement of Directors by rotation and be appointed by the Company in the general meeting. Out of the two-third directors, one third of such of the Directors as are liable to retire by rotation for time being, and they will be eligible for re-election. Provided that Independent Director(s) and Nominee director(s) shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.	<b>Eligible to retire by rotation</b>
144	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>Powers of Board</b>		
145	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
146	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorized to carry on, in any part of India.	<b>To acquire any property, rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings,	<b>To insure properties of the Company.</b>

	machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing,	<b>Transfer to Reserve Funds.</b>

	improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	<b>To appoint and remove officers and other employees.</b>
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think 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 manager of any Company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	<b>To appoint Attorneys.</b>
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or	<b>To apply &amp; obtain concessions licenses etc.</b>

	for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it	

	<p>thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
<b>Managing and Whole Time Director</b>		
147	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/ Whole-Time Directors.</b>
148	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Whole Time Director.</b>
149	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole time Director or Whole time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fi</p>	<b>Powers and duties of Managing Director or Whole-Time Director.</b>
<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>		
150	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>

	<p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	
<b>The Seal</b>		
151	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
152	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
<b>Dividend and Reserves</b>		
153	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
154	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
155	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
156	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
157	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
158	No amount paid or credited as paid on a share in advance of calls shall be treated for	<b>Capital paid up in</b>

	the purposes of this articles as paid on the share.	<b>advance not to earn dividend.</b>
159	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
160	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
161	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
162	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
163	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
164	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<b>Dividends how remitted.</b>
165	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
166	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>Capitalization</b>		
167	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. The Board shall give effect to the resolution passed by the Company in pursuance of	<b>Capitalization.</b>

	this regulation.	
168	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates.</b>
169	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
170	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>Foreign Register</b>		
171	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>Documents and Service of Notices</b>		
172.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorized by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given.</b>
173.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorized Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
<b>Winding Up</b>		
174.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p>	



	<p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
<b>Indemnity</b>		
175	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	<b>Directors' and others right to indemnity.</b>
176	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>	<b>Not responsible for acts of others</b>
<b>Secrecy</b>		
177.	<p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>	<b>Secrecy</b>
	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p>	<b>Access to property information etc.</b>

## **SECTION IX – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10:00 a.m. and 5:00 p.m. on all Working Days from the date of this Red Herring Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Agreement dated March 18, 2023 and addendum to the issue agreement dated June 15, 2023 between our Company and the Book Running Lead Manager.
2. Agreement dated March 21, 2023 and addendum to the registrar agreement dated June 15, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated June 15, 2023 between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated June 15, 2023 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated June 15, 2023 between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated June 15, 2023 between our Company, Book Running Lead Manager and Syndicate member.
7. Tripartite Agreement dated December 23, 2022 between CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated December 23, 2022 between NDSL, the Company and the Registrar to the Issue.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated June 18, 2010 issued by the Registrar of Companies, Karnataka, Bangalore.
3. Copy of the Board Resolution dated February 15, 2023 authorizing the Issue and other related matters.
4. Copy of Shareholder's Resolution dated February 17, 2023 authorizing the Issue and other related matters.
5. Copies of Audited Financial Statements of our Company for the Stub period of December 31, 2022 and for the financial year ended March 31, 2022, 2021 and 2020.
6. Statutory Auditors Report dated March 20, 2023 on the Restated Financial Statements for the stub period of December 31, 2022 and for the financial years ended March 31, 2022, 2021 and 2020.
7. Copy of the Statement of Tax Benefits dated March 20, 2023 from the Statutory Auditor.
8. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer and Joint Chief Financial Officer, as referred to, in their respective capacities.

9. Consent from CARE Advisory Research & Training Ltd. dated March 22, 2023 to include contents or any part thereof from their report titled “Indian Kitchen Appliances Industry” dated March 22, 2023 in this Red Herring Prospectus;
10. Board Resolution dated March 23, 2023 for approval of Draft Red Herring Prospectus, dated June 16, 2023 for approval of Red Herring Prospectus, and dated [●] for approval of Prospectus.
11. Certificate on KPI issued by our statutory auditor dated March 20, 2023
12. Due Diligence Certificate from Book Running Lead Manager dated March 23, 2023.
13. Approval from NSE vide letter dated May 25, 2023 to use the name of NSE in the Prospectus for listing of Equity Shares on the SME Platform of NSE.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Sukhlal Jain Chairman & Whole Time Director DIN: 02179430	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Praveen Kumar Sukhlal Jain Managing Director DIN: 02043628	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Vikas Kumar Sukhlal Jain Whole Time Director DIN: 06763779	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Hitesh Kumar Jain Whole Time Director DIN: 01863942	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Kavitha Kumari Non-Executive Director DIN: 02043540	Sd/-

Date: June 16, 2023

Place: Bangalore



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Japna Choudhary Independent Director DIN: 06571320	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Smith Kumar Mogra Independent Director DIN: 07782590	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Dhara Bhawesh Jain Independent Director DIN: 07809941	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Aarti Panigrahi Company Secretary & Compliance Office	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Abhay Jain Chief Financial Officer	Sd/-

Date: June 16, 2023

Place: Bangalore

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE JOINT CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Bharathi Joint Chief Financial Officer	Sd/-

Date: June 16, 2023

Place: Bangalore