



(Please scan this QR Code to view the RHP)



**KAUSHALYA LOGISTICS LIMITED**  
(Formerly known as Kaushalya Logistics Private Limited)  
CIN: U45400DL2007PLC167397

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
19, Community Centre, First and Second Floor, East of Kailash, New Delhi-110065	Prateek Sharma, Company Secretary & Compliance Officer	E-mail: <a href="mailto:info@kaushalya.co.in">info@kaushalya.co.in</a> Tel No: +91-011-4132-6013	Website: <a href="http://www.kaushalya.co.in">www.kaushalya.co.in</a>

PROMOTERS OF THE COMPANY	UDDHAV PODDAR, UDDHAV PODDAR (HUF) AND BHUMIKA REALTY PRIVATE LIMITED
--------------------------	---

DETAILS OF THE OFFER				
TYPE	FRESH ISSUE SIZE (BY NO. OF SHARES)	OF'S SIZE (BY NO. OF SHARES)	TOTAL OFFER SIZE (BY NO. OF SHARES)	ELIGIBILITY
Fresh Issue and OFS	33,80,000	15,00,000	48,80,000	THIS OFFER IS BEING MADE IN TERMS OF REGULATION 229(2) OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED. AS THE COMPANY'S POST ISSUE FACE VALUE CAPITAL EXCEEDS ₹1000 LAKHS BUT DOES NOT EXCEED ₹2500 LAKHS.


DETAILS OF OFFER FOR SALE BY PROMOTERS SELLING SHAREHOLDERS AND THEIR WIEGHTED AVERAGE COST OF ACQUISITION			
DETAILS OF OFFER FOR SALE BY PROMOTERS			
NAME OF THE PERSON/ENTITY	CATEGORY	NUMBER OF SHARES OFFERED / AMOUNT	WIEGHTED AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS
UDDHAV PODDAR	PROMOTER	Upto 3,75,000 Equity Shares aggregating to ₹[●]	NIL
BHUMIKA REALTY PRIVATE LIMITED	PROMOTER	Upto 11,25,000 Equity Shares aggregating to ₹[●]	₹0.10


RISK IN RELATION TO THE FIRST OFFER
This being the first public offer of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10.00 each. The Floor Price, Cap Price and Offer Price is [●] times of the face value of the Equity Shares. The Floor Price, Cap Price and Offer Price (determined and justified by our Company in consultation with the Book Running Lead Manager) as stated in “Basis for Offer Price” on page 75 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer 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 RHP. Specific attention of the investors is invited to the section “ <b>Risk Factors</b> ” beginning on page 28 of this RHP.

ISSUER'S ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this RHP contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this RHP 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 RHP 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 RHP are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated December 21, 2023 from NSE Limited (“NSE”) for using its name in the Offer Document for listing of our shares on the Emerge Platform of NSE. For the purpose of this Offer, the Designated Stock Exchange will be the NSE Limited (“NSE”).

BOOK RUNNING LEAD MANAGER TO THE OFFER		
NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE NO.
 KHANDWALA SECURITIES LIMITED	Rinav Manseta/ Abhishek Joshi	Email: <a href="mailto:rinav@kslindia.com">rinav@kslindia.com</a> ipo@kslindia.com Tel. No.: +91 22 4076 7373

REGISTRAR TO THE OFFER		
NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 SKYLINE FINANCIAL SERVICES PRIVATE LIMITED	Anuj Rana	Tel No.: +91-11-40450193-97 Email: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a>

OFFER PROGRAMME		
ANCHOR PORTION OFFER OPENS/CLOSES ON: THURSDAY, DECEMBER 28, 2023	OFFER OPENS ON: FRIDAY, DECEMBER 29, 2023	OFFER CLOSES ON: WEDNESDAY, JANUARY 3, 2024

\*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.



**KAUSHALYA LOGISTICS LIMITED**  
(Formerly known as Kaushalya Logistics Private Limited)  
**CIN: U45400DL2007PLC167397**

Our Company was originally formed and registered on August 24, 2007 as a private limited Company in the name and style of “M/s Kaushalya Buildcon Private Limited” (CIN: U45400DL2007PLC167397), Further, the name of our Company was changed from M/s Kaushalya Buildcon Private Limited to M/s Kaushalya Logistics Private Limited with effect from August 16, 2016 and a new CIN in the new name was received from the ROC. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on March 15, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “M/s Kaushalya Logistics Private Limited” to “M/s Kaushalya Logistics Limited” vide a fresh certificate of incorporation dated May 01, 2023 issued by the Registrar of Companies, Delhi, bearing CIN U45400DL2007PLC167397. For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 111 of this RHP.

**Registered Office:** 19 Community Centre, First and Second Floor, East of Kailash, New Delhi-110065  
**Tel No:** +91-011-4132-6013; **E-mail:** [info@kaushalya.co.in](mailto:info@kaushalya.co.in) **Website:** <https://www.kaushalya.co.in/>  
**Contact Person:** Prateek Sharma, Company Secretary & Compliance Officer  
**Promoters of our Company:** Uddhav Poddar, Uddhav Poddar (HUF), Bhumika Realty Private Limited

DETAILS OF THE OFFER		
<p>INITIAL PUBLIC OFFER OF UPTO 48,80,000 EQUITY SHARES OF FACE VALUE OF 10/- EACH (THE "EQUITY SHARES") OF KAUSHALYALOGISTICS LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKH("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF 33,80,000 EQUITY SHARES AGGREGATING TO ₹[●] LAKH (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 15,00,000 EQUITY SHARES BY THE SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹[●] LAKH OUT OF WHICH 2,44,800 EQUITY SHARES OF FACE VALUE OF₹10 EACH, AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKH WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF UPTO 46,35,200 EQUITY SHARES OF FACE VALUE OF₹10 EACH, AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKH IS HERE IN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.34% AND 25.01% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE OFFER" BEGINNING ON PAGE NO 208 OF THIS RHP.</p> <p>IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/ISSUE PERIOD FOR A MINIMUM OF 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 PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGERS AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE</p> <p>This offer is being made through book building process in terms of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI (ICDR) Regulations") as amended and Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (THE "SCRR"), This offer has been made for at least 25.00% of the post-offer paid-up equity share capital of our company and allocation in the net offer to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, wherein not more than 50% of the Net Offer 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 Offer 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 Offer Price. For further details, please refer to section titled "<i>Offer Procedure</i>" beginning on page 217 of this RHP. A copy of RHP will be delivered to the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.</p> <p>All potential investors (except Anchor Investors) shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of their respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under UPI Mechanism as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details in this regard, specific attention is invited to "<i>Offer Procedure</i>" on page no. 217 of this RHP.</p>		
ELIGIBLE INVESTORS		
For details in relation to Eligible Investors, please refer to section titled " <i>Offer Procedure</i> " beginning on page 217 of this RHP.		
RISK IN RELATION TO THE FIRST OFFER		
<p>This being the first public offer of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10.00 each. The Floor Price, Cap Price and Offer Price is [●] times of the face value of the Equity Shares. The Floor Price, Cap Price and Offer Price (determined and justified by our Company in consultation with the Book Running Lead Manager) as stated in "Basis for Offer Price" on page 75 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>		
GENERAL RISKS		
<p>Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this RHP. Specific attention of the investors is invited to "<i>Risk Factors</i>" beginning on page no. 28 of this RHP.</p>		
ISSUER'S AND SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY		
<p>The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this RHP contains all information with regard to the Company and the Offer, which is material in the context of the Offer, that the information contained in this RHP 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 RHP as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this RHP to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this RHP</p>		
LISTING		
<p>The Equity Shares Issued through this RHP are proposed to be listed on the Emerge Platform of NSE Limited ("NSE Emerge"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated December 21, 2023 from National Stock Exchange of India Limited ("NSE") for using its name in the Offer Document for listing of our shares on the Emerge Platform of NSE. For the purpose of this Offer, the Designated Stock Exchange will be the NSE Limited ("NSE").</p>		
BOOK RUNNING LEAD MANAGER TO THE OFFER		REGISTRAR TO THE OFFER
		
<p><b>KHANDWALA SECURITIES LIMITED</b> <b>Address:</b> Khandwala Securities Limited Vikas Building, Ground Floor, Green Street, Fort, Mumbai 400 023, Maharashtra, India <b>Tel. No.:</b> +91 22 40767373 <b>Fax No.:</b> +91 22 40767377 <b>Email:</b> <a href="mailto:rinav@kslindia.com">rinav@kslindia.com</a>/<a href="mailto:ipo@kslindia.com">ipo@kslindia.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investorgrievances@kslindia.com">investorgrievances@kslindia.com</a> <b>Website:</b> <a href="http://www.kslindia.com">www.kslindia.com</a> <b>Contact Person:</b> Rinav Manseta/Abhishek Joshi <b>SEBI Regn. No.</b> INM000001899</p>		<p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> <b>Address:</b> D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 <b>Tel No.:</b> +91-11-40450193-97 <b>Fax No.:</b> +91-11-26812683 <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Investor Grievance Email:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>Contact Person:</b> Anuj Rana <b>SEBI Regn. No.:</b> INR000003241</p>
OFFER PROGRAMME		
ANCHOR PORTION OFFER OPENS/CLOSES ON: THURSDAY, DECEMBER 28, 2023		OFFER OPENS ON: FRIDAY, DECEMBER 29, 2023
		OFFER CLOSES ON: WEDNESDAY, JANUARY 3, 2024

*\*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.*

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

## TABLE OF CONTENT

SECTION	CONTENTS	PAGE NO.
<b>I.</b>	<b>GENERAL</b>	
	DEFINITIONS AND ABBREVIATIONS	5
	CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION	19
	FORWARD LOOKING STATEMENTS	21
<b>II.</b>	<b>SUMMARY OF THE OFFER DOCUMENT</b>	22
<b>III.</b>	<b>RISK FACTORS</b>	28
<b>IV.</b>	<b>INTRODUCTION</b>	41
	THE OFFER	41
	SUMMARY OF OUR FINANCIAL STATEMENTS	43
	GENERAL INFORMATION	47
	CAPITAL STRUCTURE	57
	OBJECTS OF THE OFFER	67
	BASIS FOR OFFER PRICE	75
	STATEMENT OF TAX BENEFITS	79
<b>V.</b>	<b>ABOUT THE COMPANY</b>	81
	INDUSTRY OVERVIEW	81
	OUR BUSINESS	89
	KEY INDUSTRY REGULATIONS AND POLICIES	102
	HISTORY AND CERTAIN CORPORATE MATTERS	111
	OUR MANAGEMENT	115
	OUR PROMOTERS AND PROMOTER GROUP	129
	OUR GROUP COMPANIES	138
	DIVIDEND POLICY	141
<b>VI.</b>	<b>FINANCIAL INFORMATION OF THE COMPANY</b>	142
	RESTATED FINANCIAL STATEMENTS	142
	OTHER FINANCIAL INFORMATION	170
	STATEMENT OF FINANCIAL INDEBTEDNESS	171
	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS	178
<b>VII.</b>	<b>LEGAL AND OTHER INFORMATION</b>	186
	OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	186
	GOVERNMENT AND OTHER APPROVALS	192
	OTHER REGULATORY AND STATUTORY DISCLOSURES	199
<b>VIII.</b>	<b>OFFER RELATED INFORMATION</b>	208
	TERMS OF THE OFFER	208
	OFFER STRUCTURE	214
	OFFER PROCEDURE	217
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	237
<b>IX.</b>	<b>MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY</b>	238
<b>X.</b>	<b>OTHER INFORMATION</b>	249
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	249
	DECLARATION	250

## **SECTION I – GENERAL** **DEFINITIONS AND ABBREVIATIONS**

*This RHP 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 RHP 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 of the sections **"Statement of Tax Benefits"**, **"Financial Information of the Company"** and **"Main Provisions of the Articles of Association"** on page 79, 142 and 238 respectively, shall have the meaning ascribed to such terms in such sections.*

### **General Terms**

<b>Terms</b>	<b>Description</b>
"KLL", "Kaushalya", "the Company", "Our Company", "Issuer" and "Kaushalya Logistics Limited"	Kaushalya Logistics Limited, a company incorporated in India under the Companies Act, 1956 having its registered office at 19, Community Centre, First and Second Floor, East of Kailash, New Delhi-110065 India.
"we", "us" and "our"	Unless the context otherwise indicates or implies refers to our Company.
"you", "your" or "yours"	Prospective investors in this Offer

### **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 Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled <b>"Our Management"</b> beginning on page 115 of this RHP
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. K.N. Gutgutia & Co., Chartered Accountants (Firm Registration No. 304153E). For further details refer chapter titled <b>"General Information"</b> beginning on page 47 of this RHP
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Bankers to our Company	ICICI Bank Limited
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 the section titled <b>"Our Management"</b> beginning on page 115 of this RHP.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company being Vinay Kumar Poddar
CIN	Corporate Identification Number
Companies Act / Act	The Companies Act, 2013 and amendments thereto.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Prateek Sharma (Membership No. 49283)
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company.
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository's Participant's Identity Number
Equity Shareholders/	Persons/ Entities holding Equity Shares of our Company.

Shareholders	
Equity Shares	Equity Shares of the Company of face value of ₹. 10/- each.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
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 Companies	Such Companies as are included in the Chapter titled <b>“Our Group Company”</b> beginning on page 138 of this RHP.
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 Regulation 16 of the Listing Regulations. For details of our Independent Directors, see <b>“Our Management”</b> on page 115 of this RHP.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number. In this case being INE0Q2V01012
IT Act	The Income Tax Act, 1961 as amended till date.
Key Management Personnel / KMP	Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled <b>“Our Management”</b> on page 115 of this RHP.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 28, 2023 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Kaushalya Logistics Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Uddhav Poddar
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 115 of this RHP
Non-Executive Director	A Director not being an Executive Director.
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 Offer of Security by a Person Resident Outside India) Regulations, 2000.
Promoter (s)	Shall mean promoters of our Company i.e., Uddhav Poddar, Uddhav Poddar (HUF) and Bhumika Realty Private Limited for further details, please refer to section titled <b>“Our Promoters &amp; Promoter Group”</b> beginning on page 129 of this RHP.
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 129 of this RHP.
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.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The Registered Office of our Company situated at 19, Community Centre, First and Second Floor, East of Kailash, New Delhi-110065 India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Statements	The Restated Consolidated Financial statements of our Company, comprising of the Restated Consolidated Statement of Assets and Liabilities as at June 30, 2023 and for the financial year ended March 31 2023, 2022 and 2021 and the Restated Consolidated Statements of profit and loss and cash flows for the period ended June 30, 2023 and for the financial year ended March 31 2023, 2022 and 2021 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 Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto
RoC / Registrar of Companies	Registrar of Companies, Delhi located at 4 <sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019, India



SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
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	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 / Listing Regulations / SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions, notifications 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.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled <b>"Our Management"</b> beginning on page 115 of this RHP
Stock Exchange	Unless the context requires otherwise, refers to NSE
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 Rajeev Jain and Rajeev Kumar Jha.
Willful Defaulter	A company or person, as the case may be, categorised as a willful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1) (III) of the SEBI ICDR Regulations.
You, your or yours	Prospective investors in this Offer.

### **Offer Related Terms**

<b>Terms</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
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/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Offer 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 pursuant to the Offer.
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/Offer 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 Offer 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
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 RHP and the Application form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of RHP.
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 RHP.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.
ASBA Account	A bank account linked with or without UPI ID, maintained by with an SCSB and specified in the ASBA Investor with an SCSB which will be blocked by such SCSB to Form submitted by Applicants for blocking the extent of the Application Amount of mentioned in the ASBA Investor Form
ASBA Bidder	Any prospective investor(s) / Bidder(s) in this Issue who apply(ies) through the ASBA process except Anchor Investor
Bankers to the Offer/ Public Offer Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Offer and with whom the Public Offer Account will be opened, in this case being ICICI Bank Limited
Banker to the Offer Agreement	Agreement dated December 22, 2023 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Offer.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the offer and which is described in the chapter titled <b><i>“Offer Procedure”</i></b> beginning on page 217 of this RHP.
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer 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.
Broker Centers	Broker Centers 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.
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
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate Applications under this Offer made by the Applicants with the Book Running Lead Manager, the Registrar to the Offer and the Stock Exchange, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the applicants such as their Address, PAN, 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.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.



Designated Date	The date on which the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Offer Account, as appropriate in terms of the Prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
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 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="https://www.nseindia.com/">https://www.nseindia.com/</a>
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="https://www.nseindia.com/">https://www.nseindia.com/</a>
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 offer and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Nikunj Stock Brokers Limited
Designated Stock Exchange	NSE ("NSE Emerge")
DP ID	Depository Participant's Identity Number
Red Herring Prospectus	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 offered and the size of the Offer, including any addenda or corrigenda thereto
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this RHP will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹.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 offer or invitation under the Offer 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.
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
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, 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

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 offer 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 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.
Offer Agreement	The Offer Agreement dated September 27, 2023 between our Company, Selling Shareholders and Book Running Lead Manager, Khandwala Securities Limited.
Offer / Public Offer / Offer size / Initial Public Offer / Initial Public Offering / IPO	The Initial Public Offer of upto 48,80,000 Equity shares of ₹. 10/- each comprising of fresh issue of upto 33,80,000 Equity Shares of ₹10/- each at a price of ₹. [●] per Equity Share (the “ <b>Offer Price</b> ”), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh by our Company and Offer for Sale of 15,00,000 Equity Shares of ₹10/- each at a price of ₹. [●] per Equity Share (the “ <b>Offer Price</b> ”), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh by our Promoters.
Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Book Running Lead Manager, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Offer, being January 3, 2024, which shall be 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.
Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Book Running Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Offer, December 29, 2023, 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.
Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants can submit their applications.
Offer Price	The Price at which the Equity Shares are being issued by our Company under this RHP being ₹. [●] per Equity share.
Price Band	Price Band of a minimum price (Floor Price) of ₹ 71/- and the maximum price (Cap Price) of ₹ 75/-. The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLM and advertised in two national daily newspapers (one each in English, in this case being Financial Express and in Hindi, in this case being Jansatta) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Offer Opening Date
Offer Proceeds	Proceeds to be raised by our Company through this Offer, for further details please refer chapter titled “ <b>Objects of the Offer</b> ” beginning on page 67 of this RHP
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
BRLM/Lead Manager	Book Running Lead Manager to the Offer, in this case being Khandwala Securities Limited (KSL).
Advisor to the Company	Advisors to the Company, in this case being Neomile Corporate Advisory Limited
Lot Size	The Market lot and Trading lot for the Equity Share is 1,600 and in multiples of 1,600 thereafter; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.
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, Nikunj Stock Brokers Limited is the sole Market Marker
Market Making Agreement	The Market Making Agreement dated December 22, 2023 between our Company, Book Running Lead Manager and Market Maker, Nikunj Stock Brokers Limited
Market Maker Reservation Portion	The reserved portion of upto 2,44,800 Equity Shares of ₹.10/- each at an Offer price of ₹. [●] each is aggregating to ₹. [●] Lakh to be subscribed by Market Maker in this offer.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time

Net Offer	The Offer (excluding the Market Maker Reservation Portion) of upto 46,35,200 equity Shares of ₹. 10/- each at a price of ₹. [●] per Equity Share (the “Offer Price”), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh.
Net Proceeds	The Offer Proceeds received from the fresh Issue excluding Offer related expenses. For further information on the use of Offer Proceeds and Offer expenses, please refer to the section titled “Objects of the Offer” beginning on page 67 of this RHP.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹. 2,00,000/-
Non-Institutional Investors Portion	Portion of the Issue being not more than 15% of the Net Issue consisting of 6,96,000 Equity Shares which shall be available for allocation to Non-Institutional Investors other than Retail Individual Investors, NRIs and QIBs (subject to valid Applications being received at the Issue Price), which shall not be less than the minimum Application Lot subject to availability in the Non-Institutional Portion
NSE	National Stock Exchange of India Limited
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 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 Offer.
Public Offer Account	Account to be opened with the Bankers to the Offer 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 23,16,800 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	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹25.00 Crore; a pension fund with minimum corpus of ₹25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, 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 and systemically important non-banking financial companies.
Red Herring Prospectus	The Red Herring Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, <i>inter alia</i> , the Offer Price will be determined before filing the Red Herring Prospectus with RoC.
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.
Registrar/ Registrar to the Offer/ RTA/ RTI	Registrar to the Offer, in this case being Skyline Financial Services Private Limited.
Registrar Agreement	The agreement dated September 27, 2023 entered into between our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership either having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock

	exchanges, a list of which is available on the website of the Stock Exchange.
Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Offer reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portion	Portion of the Issue being not more than 35% of the Net Issue consisting of 16,22,400 Equity Shares which shall be available for allocation to Retail Individual Applicants (subject to valid Applications being received at the Issue Price), which shall not be less than the minimum Application Lot subject to availability in the Retail Portion
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.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended.
SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations / Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Offer 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.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SME Exchange	SME Platform of the NSE i.e., NSE EMERGE.
SEBI(PFUTP)Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Specified Securities	Equity shares offered through this RHP.
Sponsor Bank	Sponsor Bank means a Banker to the Offer 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.
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.
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.
Underwriter	The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated December 22, 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	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and 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, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (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 PIN	Password to authenticate UPI transaction
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.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Venture Capital Fund	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.
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) Offer 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 Offer 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**

<b>Term</b>	<b>Description</b>
3PL	Third party logistics
AMC	Annual Maintenance Contracts
AE	Advance Estimates
CD&E	Consumer durables and electronics
CFA	Carrying and forwarding agents
CV	Commercial vehicle
CAGR	Compound Annual Growth Rate
ERP	Enterprise resource management
FMCG	Fast moving consumer goods
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
FTL/FCL	Full Truck Load
GPS	Global Positioning System
GST	Goods and Services Tax
GVA	Gross Value of Added
HCV	Heavy Commercial Vehicles
IIP	Index of Industrial Production
IMF	International Monetary Fund
LPI	Logistics Performance Index
LCVs	Light commercial vehicles
LTL/LCL	Less than Truck Load
MFOs	Medium Fleet Operators
MTW Act	The Motor Transport Workers Act, 1961
OEM	Original equipment manufacturers
SCM	Supply chain management
SMEs	Small and Medium sized Enterprises

UV	Utility vehicles
VAS	Value added services
White Goods	Electrical goods used domestically such as refrigerators and washing machines.

### **Conventional terms and Abbreviations**

<b>Abbreviation</b>	<b>Full Form</b>
₹ / ₹/ 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
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
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.
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
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
Cr. PC	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
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
ESIC	Employees' State Insurance Corporation
EPFA	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
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
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.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
FV	Face Value
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GoI/Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information technology
IT Act	Information Technology Act, 2000
IFRS	International Financial Reporting Standards
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
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 under the Ind AS Rules

Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
KSL	Khandwala Securities Limited
BRLM	Book Running Lead Manager
LLB	Bachelor of Laws
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Master of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
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
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NOC	No Objection Certificate
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order

PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
ROC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
₹. or ₹	Rupees, the official currency of the Republic of India
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
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI	Securities and Exchange Board of India
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique Identification Number
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 Funds	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)	Company or person categorised as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and includes any company whose director or Promoters is categorised as such and as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, ()	Represent Outflow

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

### **Certain Conventions**

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

In this RHP, 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 crores”. In this RHP, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

### **Use of Financial Data**

Unless stated otherwise, throughout this RHP, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the RHP is derived from our restated financial statements prepared for the period ended June 30, 2023 and for the financial years ended 31<sup>st</sup> March 2023, 2022 and 2021 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 142 of this RHP.

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 RHP 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 RHP 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 RHP 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 Statutory Auditor, set out in section titled ***“Financial Information of the Company”*** beginning on page 142 of this RHP. As on the date of this RHP we have no Subsidiary and 7 (seven) group companies; for details refer chapter titled ***“History and Corporate Structure”*** beginning on page 111 of this RHP. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this RHP, see the section ***“Definitions and Abbreviations”*** on page 5 of this RHP. In the section titled ***“Main Provisions of the Articles of Association”***, on page 238 of the RHP 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 and forecast used throughout the RHP was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the RHP is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***“Basis for Offer Price”*** on page 75 of the RHP includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## Currency of Financial Presentation

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

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 28, 89 and 178 of this RHP, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The RHP 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 RHP includes certain “forward-looking statements”. We have included statements in the RHP 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 statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this RHP that are not historical facts. However, these are not the exclusive means of identifying 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:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key management personnel and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our failure to keep pace with rapid changes in technology;
8. Our ability to grow our business;
9. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
10. General economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company’s ability to successfully implement its growth strategy and expansion plans;
13. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. Inability to successfully obtain registrations in a timely manner or at all;
15. Occurrence of Environmental Problems & Uninsured Losses;
16. Conflicts of interest with affiliated companies, the promoter group, group Companies and other related parties;
17. Any adverse outcome in the legal proceedings in which we are involved; and
18. Concentration of ownership with our Promoters.
19. The performance of the financial markets in India and globally.

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 28, 89 and 178 respectively of the RHP. 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.

Neither our Company, our Directors, our Officers, Book Running 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 BRLM 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 Offer.

## SUMMARY OF RED HERRING PROSPECTUS

### A. OVERVIEW OF BUSINESS

Our Company is into business of providing Clearing and Forwarding services to one of the leading cement company in India and is also engaged in the selling of electronic and white good products on online e-commerce platform. The Company has also ventured into the business of renting of commercial properties during the FY 2022-23.

### B. OVERVIEW OF THE INDUSTRY

India has emerged as fastest-growing major economy in the world and is expected to be one of the top three economic powers over the next 10-15 years. The Logistic sector in India is valued at USD 250 Billion in 2021 and it is expected to increase USD 380 Billion by 2025. The overall e-commerce market is also expected to reach USD 350 Billion by 2030 and will experience 21.5% growth. By 2040 Real Estate market will grow to INR 65,00,000 lakh from INR 12,00,000 lakh in 2019

### C. PROMOTERS

Promoters of our Company are Uddhav Poddar, Uddhav Poddar (HUF) and Bhumika Realty Private Limited.

### D. DETAILS OF THE OFFER

The Initial Public Offer of upto 48,80,000 Equity shares of ₹. 10/- each comprising of fresh issue of upto 33,80,000 Equity Shares of ₹10/- each at a price of ₹. [●] per Equity Share (the “Offer Price”), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh by our Company and Offer for Sale of upto 15,00,000 Equity Shares of ₹10/- each at a price of ₹. [●] per Equity Share (the “Offer Price”), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh by our Promoter, out of which 2,44,800 Equity Shares of face value of ₹.10/- each for cash at a price of ₹. [●] per Equity Share aggregating up to ₹. [●] lakh will be reserved for subscription by the market maker to the offer (the “Market Maker Reservation Portion”). The Offer excluding Market Maker Reservation Portion i.e. Offer of upto 46,35,200 Equity Shares of face value of ₹.10 each, at an offer price of ₹. [●] per Equity Share for cash, aggregating to ₹. [●] lakh is hereinafter referred to as the “Net Offer”. The Public Offer and Net Offer will constitute 26.34% and 25.01% respectively of the Post- Offer Paid-Up Equity Share Capital of our Company.

The price band will be decided by our Company and the Selling Shareholders in consultation with the book running lead manager and will be advertised in all editions of Financial express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper), at least 2 (two) working days prior to the bid/ Offer opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the emerge platform of National Stock Exchange of India Limited for the purpose of uploading on their website for further details kindly refer to chapter titled “Terms of the Offer” beginning on page 190 of this Red Herring Prospectus

### E. OBJECTS OF THE OFFER

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

Sr. No.	Particulars	Amt. (₹. in lakh)
1.	Repayment of unsecured loans	171.00
2.	Working capital	1,726.37
3.	General Corporate Purposes	[●]
	<b>Total</b>	[●]

*\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the gross proceeds from the Fresh Issue.*

### F. PRE-OFFER SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively hold 1,51,47,980 equity shares of our Company aggregating to 99.99% of the pre- offer 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 RHP:

Sr. No	Name of share holder	Pre-offer	
		No of equity shares	As a % of Issued Capital
(i) Promoters			
1	Uddhav Poddar	48,12,650	31.77

2	Udhav Poddar (HUF)	15,15,000	10.00
3	Bhumika Realty Private Limited	29,79,500	19.67
	<b>TOTAL (A)</b>	<b>93,07,150</b>	<b>61.44</b>
<b>(ii) Promoter Group</b>			
2	Master Vedant Poddar	28,61,330	18.89
3	Master Shiven Poddar	27,77,500	18.33
5	Anubhav Minerals Private Limited	2,02,000	1.33
	<b>TOTAL (B)</b>	<b>58,40,830</b>	<b>38.55</b>
	<b>TOTAL (A+B)</b>	<b>1,51,47,980</b>	<b>99.99</b>

#### G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated consolidated financial statements for the stub period as on June 30, 2023 and for the financial years ended as on March 31, 2023, 2022 and 2021:

Amt. (₹. in lakh)

Particulars	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Share Capital	15.00	15.00	15.00	15.00
Net Worth	2,148.29	1,933.64	1,226.62	849.6
Total Revenue	57,053.16	63,216.41	6,358.92	3,328.40
Profit after tax	214.65	707.02	377.02	300.96
Earnings per Share (based on Weighted Average Number of Shares post bonus shares issued on July 26, 2023)	142.91	470.58	250.87	199.79
Net Asset Value per Share (based on Actual Number of Shares)	1,432.19	1,289.09	817.75	566.40
Long Term Borrowings (including current maturities of long-term borrowings)	3,899.07	3,213.34	2,476.88	1,070.36
Total Borrowings (including Long Tem and Short Term Borrowings)	5,488.50	4,756.07	3,811.23	1,888.13

#### H. AUDITOR QUALIFICATIONS

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

#### I. SUMMARY OF OUTSTANDING LITIGATIONS

Our Company and our Group Companies are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this RHP are as follows:

##### **Litigations/Matters involving our Company:**

Type of Cases	Number of cases	Amount involved as on September 30, 2023 (₹. in Lakh)	Amount involved as on the date of RHP (₹. in Lakh)
Criminal Case	1	Not ascertainable	Not ascertainable
Civil Cases (Material)	NIL	NIL	NIL
Statutory Dues: IT, TDS, GST	3	16.31	20.63
<b>Total</b>	<b>4</b>	<b>16.31</b>	<b>20.63</b>

##### **Litigations/Matters involving our Group Companies:**

Name of the Group Company	Number of cases	Amount involved as on March 31, 2023 (₹. in Lakh)
<b>BEPL</b>		
Criminal Case	5 (RERA Cases) 1(COPRA Complaint)	Not ascertainable 22.36

Civil Cases (Material)	NIL	NIL
Statutory Dues: IT	5	56.33
<b>Total</b>	<b>11</b>	<b>78.69</b>
<b>AMPL</b>		
Criminal Case	NIL	NIL
Civil Cases (Material)	NIL	NIL
Statutory Dues: IT, TDS	1 (IT) 1 (TDS)	0.31 0.09
<b>Total</b>	<b>2</b>	<b>0.40</b>
<b>UPL</b>		
Criminal Case	NIL	NIL
Civil Cases (Material)	NIL	NIL
Statutory Dues: TDS	1	0.02
<b>Total</b>	<b>1</b>	<b>0.02</b>
<b>BC LLP</b>		
Criminal Case	NIL	NIL
Civil Cases (Material)	NIL	NIL
Statutory Dues: TDS	1	0.05
<b>Total</b>	<b>1</b>	<b>0.05</b>

For further details, please refer to the chapter titled **“Outstanding Litigations and Material Developments”** on page 186 of this RHP.

#### **J. RISK FACTORS**

For details on the risks involved in our business, please see the Chapter titled **“Risk Factors”** beginning on page 28 of this RHP.

#### **K. SUMMARY OF CONTINGENT LIABILITIES**

As on September 30, 2023, we have Contingent Liability of ₹ 9,126.71 lakh on the basis of corporate guarantee and Co-Borrowership on behalf of our related parties to secure financial facilities and our Company’s IT/GST Dues, which have not been provided in our financial statements and which could affect our financial position.

#### **L. SUMMARY OF RELATED PARTY TRANSACTIONS**

Following is the summary of the related party transactions entered by the Company (based on Restated Consolidated Financial Statements) for the period ended June 30, 2023 and for the financial years ended on March 31, 2023, 2022 and 2021:

##### **1. List of Related Parties**

(As identified by the management), unless otherwise stated

Particulars	As on June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Relative of Directors</b>	Gouri Shankar Poddar	Gouri Shankar Poddar	Gouri Shankar Poddar	Gouri Shankar Poddar
	Vijay Laxmi Poddar	Vijay Laxmi Poddar	Vijay Laxmi Poddar	Vijay Laxmi Poddar
	Bhumika Poddar	Bhumika Poddar	Bhumika Poddar	Bhumika Poddar
	Master Vedant Poddar	Master Vedant Poddar	Master Vedant Poddar	Master Vedant Poddar
	Master Shiven Poddar	Master Shiven Poddar	Master Shiven Poddar	Master Shiven Poddar
	Sunira Chamaria	Sunira Chamaria	Sunira Chamaria	Sunira Chamaria
	Suraksha Gajwani	Suraksha Gajwani	Suraksha Gajwani	Suraksha Gajwani
	Vidhika Poddar Bagri	Vidhika Poddar Bagri	Vidhika Poddar Bagri	Vidhika Poddar Bagri
	Akhilesh Jain	Akhilesh Jain	Akhilesh Jain	Akhilesh Jain
	Anshuman Jain	Anshuman Jain	Anshuman Jain	Anshuman Jain
	Anita Jain	Anita Jain	Anita Jain	Anita Jain
<b>Enterprises owned or significantly influenced by Key Management Personnel with whom there were</b>	Bhumika Enterprises Private Limited	Bhumika Enterprises Private Limited	Bhumika Enterprises Private Limited	Bhumika Enterprises Private Limited
	Bhumika Cinemas LLP	Bhumika Cinemas LLP	Bhumika Cinemas LLP	Bhumika Cinemas LLP
	Bhumika Highstreet India Private Limited	Bhumika Highstreet India Private Limited	Bhumika Highstreet India Private Limited	Bhumika Highstreet India Private Limited

transactions/balance during the year	Bhumika Projects Limited.	Bhumika Projects Limited.	Bhumika Projects Limited.	Bhumika Projects Limited.
	Anubhav Minerals Private Limited	Anubhav Minerals Private Limited	Anubhav Minerals Private Limited	Anubhav Minerals Private Limited
	Bhumika Realty Private Limited	Bhumika Realty Private Limited	Bhumika Realty Private Limited	Bhumika Realty Private Limited
Associates	Uddhav Properties Limited	Uddhav Properties Limited	Uddhav Properties Limited	Uddhav Properties Limited

**2. Transaction during the period ended June 30, 2023 and the year ended as on March 31, 2023, 2022 and 2021 and Balance Outstanding with related parties (on consolidated basis) are as follows -**

**a. Disclosure in respect of transaction with Related Parties:**

*(Amount in ₹ lakh)*

Particulars	Nature of Transaction	As on June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Mr. Gauri Shankar Poddar	Consultancy Fees	3.30	19.80	19.80	18.15
Vijay Laxmi Poddar	Salary	2.25	9.00	9.00	9.00
Bhumika Poddar	Salary	13.50	54.00	54.00	22.50
Vidhika Poddar Bagri	Salary	3.60	12.00	0.00	0.00
Bhumika Enterprises Private Limited	Office Rent Income	7.04	26.80	25.53	24.31
Bhumika Enterprises Private Limited	Warehouse Operation & Management Income	-	0.00	36.00	20.00
Bhumika Enterprises Private Limited	Rent Income - Plant & Machinery	12.13	38.44	0.00	0.00
Bhumika Enterprises Private Limited	Interest Income on Loan	143.33	293.40	44.13	21.23
Bhumika Enterprises Private Limited	Assured Return received on Investment in Property (Return on Investment)	11.26	271.15	119.62	0.00
Bhumika Enterprises Private Limited	Reimbursement of Expenses	-	0.00	36.31	67.42
Bhumika Enterprises Private Limited	Rent Expenses	0.16	0.62	0.23	0.00
Bhumika Enterprises Private Limited	Handling Charges Expenses	-	-	-	179.22
Bhumika Enterprises Private Limited	Commission Expenses	-	-	-	278.08
Bhumika Enterprises Private Limited	Car Rent Income	-	-	-	7.35
Bhumika Enterprises Private Limited	Office Operation Income	-	-	-	7.50
Bhumika Enterprises Private Limited	Purchase of Property, Plant & Equipment	-	89.76	50.86	0.00
Bhumika Enterprises Private Limited	Investment in Properties	-	222.60	2513.07	0.00
Bhumika Cinemas LLP	Interest Income on Loan	23.55	91.60	81.59	38.36
Bhumika Highstreet India Private Limited	Rent Income	0.16	0.62	0.26	0.00
Bhumika Projects Limited.	Rent Income	0.15	0.60	0.60	0.60
Uddhav Properties Limited	Rent Income	0.06	0.24	0.24	0.24
Uddhav Properties Limited	Interest Paid	1.81	7.26	5.15	0.24
Anubhav Minerals Private Limited	Rent Income	0.06	0.24	0.24	0.24

Anubhav Minerals Private Limited	Interest Paid	0.22	0.79	0.85	0.00
Bhumika Realty Private Limited	Rent Income	0.03	0.12	0.12	0.12
Bhumika Realty Private Limited	Interest Paid	0.44	1.38	0.93	0.00

### 3. Outstanding Balances

Name of Party	Receivable / Payable	As on June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Bhumika Enterprises Private Limited Private Limited	Trade receivables	84.60	74.53	78.66	-0.20
Bhumika Enterprises Private Limited Private Limited	Loan Receivable (including Interest)	3,041.06	2434.88	279.69	0.00
Bhumika Enterprises Private Limited Private Limited	Others Receivables	424.33	413.16	103.46	0.00
Bhumika Enterprises Private Limited Private Limited	Creditor	0.00	0.00	0.00	96.94
Mr. Gauri Shankar Poddar	Trade Payable	0.00	2.97	0.00	0.00
Vijay Laxmi Poddar	Salary Payable	0.00	3.85	1.65	0.55
Bhumika Poddar	Salary Payable (Salary Advance)	(15.30)	(15.27)	2.55	2.50
Vidhika Poddar Bagri	Salary Payable	2.55	1.70	0.00	0.00
Bhumika Cinemas LLP	Loan Receivable (including Interest)	623.48	643.44	613.58	508.00
Bhumika Projects Limited.	Trade receivables	0.00	1.27	0.59	0.16
Bhumika Highstreet India Private Limited	Loan Receivable (Interest Free)	159.15	150.00	0.00	0.00
Bhumika Highstreet India Private Limited	Unsecured Loan O/s (Interest Free)	0.00	0.00	16.50	0.00
Bhumika Highstreet India Private Limited	Other Receivable	0.00	0.00	0.12	0.00
Uddhav Properties Limited	Unsecured Loan O/s (including Interest)	108.66	108.66	107.17	0.00
Bhumika Realty Private Limited	Other Payable	0.04	0.00	1.65	1.65
Bhumika Realty Private Limited	Unsecured Loan O/s (including Interest)	21.14	20.94	20.53	0.00
Anubhav Minerals Private Limited	Unsecured Loan O/s (including Interest)	10.01	10.49	16.06	0.00

### 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 RHP.

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

Date of Allotment/Transfer	Number of Shares Acquired	Nature of Acquisition (Allotment/Transfer)	Offer/Transfer price per Share	Weighted Average Price
<b>Uddhav Poddar</b>				
July 26, 2023	47,65,000	Bonus Issue	Nil	Nil
<b>Uddhav Poddar (HUF)</b>				
July 26, 2023	15,00,000	Bonus Issue	Nil	Nil
<b>Bhumika Realty Private Limited</b>				
July 26, 2023	29,50,000	Bonus Issue	Nil	Nil



<b>Total</b>	<b>92,15,000</b>	<b>-</b>	<b>-</b>	<b>Nil</b>
--------------	------------------	----------	----------	------------

**Note:** The above table relates to shares acquired by the Promoters in last one year only.

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

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

<b>Sr. No.</b>	<b>Name of the Promoters</b>	<b>No. of Shares held</b>	<b>Average cost of Acquisition (in ₹)</b>
1.	Uddhav Poddar	48,12,650	Nil
2.	Uddhav Poddar (HUF)	15,15,000	Nil
3.	Bhumika Realty Private Limited	29,79,500	0.10

#### P. PRE-IPO PLACEMENT

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

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

Except for the bonus issue made on July 26, 2023 to the allottees as set out below we have not issued Equity Shares for consideration other than cash:

<b>Sr. No</b>	<b>Name of the Person</b>	<b>No of Shares Allotted</b>	<b>Face Value (₹.)</b>	<b>Offer Price (₹.)</b>	<b>Reasons for Allotment</b>
1	Uddhav Poddar	47,65,000	10	Nil	Bonus Issue in the ration of 1:100
2	Uddhav Poddar (HUF)	15,00,000	10	Nil	Bonus Issue in the ration of 1:100
3	Master Vedant Poddar	28,33,000	10	Nil	Bonus Issue in the ration of 1:100
4	Master Shiven Poddar	27,50,000	10	Nil	Bonus Issue in the ration of 1:100
5	Bhumika Realty Private Limited	29,50,000	10	Nil	Bonus Issue in the ration of 1:100
6	Anubhav Minerals Private Limited	2,00,000	10	Nil	Bonus Issue in the ration of 1:100
7	Sarita Saraogi	1,000	10	Nil	Bonus Issue in the ration of 1:100
8	Mayur Saraogi	1,000	10	Nil	Bonus Issue in the ration of 1:100
<b>Total</b>		<b>1,50,00,000</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. SPLIT/ CONSOLIDATION OF EQUITY SHARES

We have not carried any split/consolidation of face value of Equity Shares in the last one year.

#### S. 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 RHP.

## **RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this RHP, 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” beginning on pages 142, 75 and 178 respectively 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. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Financial Statements” on pages 89, 81, 178 and 142, respectively, as well as the other financial and statistical information contained in this RHP. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.*

*This Red Herring Prospectus (RHP) 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 RHP. 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.*

### **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 are stated 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 RHP, 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” beginning on page 28 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 178 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Audited Financial Statements, as restated” prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP).*

- 1. Substantial portion of our revenue has been dependent upon e-commerce business which is through only one major e-commerce platform. The loss of our major e-commerce platform would have a material adverse effect on our business, cash flows, results of operations and financial condition.**

The substantial portion of our revenue has been dependent upon one major e-commerce platform. Out of total revenue of Rs. 63,216.92 Lakhs of the Company in Financial Year 2023, revenue from e-commerce business was Rs. 57,264.13 Lakhs, which is approximately 90.58% of our total revenue. We are registered as a seller with this e-commerce platform and have entered into various agreements with it which authorize the Company to sell various products on the e-commerce platform and on the basis of which the platform provides certain services to our Company. The nature of these services is to facilitate the sales on the platform. These Agreements are all non-exclusive but shall remain in force until terminated by the e-commerce platform after giving prior written notices varying from 30 days’ to 60 days’ period to our Company. The success of our business is accordingly significantly dependent on us maintaining good

relationships with the major online e-commerce platform. The loss of business through this e-commerce platform or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial and cash flows. However, there are many other similar e-commerce platforms operating in the market. Since there is no exclusivity to work with current e-commerce platforms, in the event of any issues with them, the company will explore moving existing volumes of business with other e-commerce platforms, operating in the market.

**2. Substantial portion of our profits has been dependent upon logistics business which has only one major customer. The loss of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.**

The substantial portion of our profits has been dependent upon our major customer Dalmia Cement (Bharat) Limited (Dalmia). Our revenue for this segment has increased from ₹3,140 lakh in Financial Year 2021 to ₹4,953 lakh in Financial Year 2023. Approximately 60% of our total profit comes from our activity of C&F Agency for Dalmia. We have not entered into long term agreements with our customer and the success of our business is accordingly significantly dependent on us maintaining good relationships with them. The loss of this customer or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customer or that we will be able to significantly reduce customer concentration in the future. Further, the sales volume may vary due to our customers' attempts to manage their logistic need either by themselves or through our competitors, which could reduce our sales and adversely affect our business, cash flows, results of operations and financial condition.

**3. There are outstanding litigation proceedings involving our Company and Group Companies, an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favor. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending proceedings involving our Company and Group Companies is provided below:

<b>Issuer Company</b>	<b>Number of cases</b>	<b>Amount involved (₹. in Lakh)</b>
Criminal Case	1	Not ascertainable
Civil Cases (Material)	NIL	NIL
Statutory Dues: IT	3	20.63
<b>Total</b>	<b>4</b>	<b>20.63</b>
<b>Nature of Case Against our Group Companies</b>		
<b>BEPL</b>		
Criminal Case	5(RERA Cases) 1(COPRA Complaint)	Not ascertainable 22.36
Civil Cases (Material)	NIL	NIL
Statutory Dues: IT	5	56.33
<b>Total</b>	<b>11</b>	<b>78.69</b>
<b>AMPL</b>		
Criminal Case	NIL	NIL
Civil Cases (Material)	NIL	NIL
Statutory Dues: IT, TDS	1 (IT) 1 (TDS)	0.31 0.09
<b>Total</b>	<b>2</b>	<b>0.40</b>
<b>UPL</b>		
Criminal Case	NIL	NIL
Civil Cases (Material)	NIL	NIL
Statutory Dues: TDS	1	0.02
<b>Total</b>	<b>1</b>	<b>0.02</b>
<b>BC LLP</b>		

Criminal Case	NIL	NIL
Civil Cases (Material)	NIL	NIL
Statutory Dues: TDS	1	0.05
<b>Total</b>	<b>1</b>	<b>0.05</b>

For further details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 186 of this RHP.

**4. The Registered Office, Branch Offices and warehouses of our Company are not owned by us.**

We operate from our registered office situated at 19, Community Centre, First and Second Floor, East of Kailash, New Delhi- 10065. The same has been taken on lease from M/s. R.P. Estates, vide lease deed dated May 03, 2017, for a period of 4years and 11 months with effect from May 01, 2017 for a monthly rent of ₹. 1,75,000.00. Vide Supplementary Agreement dated December 14, 2018, the lease term was extended upto December 31, 2023.

Warehouses which we use in our ordinary course of business are owned by our Customers like Dalmia Bharat Cement Limited etc. Any discontinuance of facility to use the office / warehouses will lead us to locate to any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company. For further details, please refer to section titled Our Business on page 89 of this RHP.

**5. Non stamping of Gift Deeds for the shares acquired by the Promoters.**

The Promoters have acquired shares from their relatives by way of gift. Though the Gift Deeds were not stamped, the share transfers took place on the basis of duly stamped transfer deeds as prescribed under the Companies Act, 2013. The said transfers may not be challenged in a court of law, however, we have initiated the steps to get these Gift Deeds adjudged by collector of stamps and the requisite stamp duty shall be paid as per adjudication. There is no assurance that the collector of stamps will adjudicate the stamp duty timely or at all.

**6. Dependence on third-party vendors could have an adverse effect on our business financial condition and results of operations.**

Our ability to service our customers depends on the availability and costs of leased storage space, vehicles used for transport, equipment and adequate work force of independent contractors for operations. We use trucks owned by third parties. Further, we often engage independent contractors for our skilled and unskilled labour needs and, in the event that such contractors are not available, this may have a material and adverse effect on our operations. We cannot assure you that we will be able to obtain access to preferred third-party vendors for our warehousing space, equipment, vehicles or independent contractors, or at attractive rates or that these vendors will have adequate available capacity to meet our needs or be able to meet our requirements in a timely manner. Further, if we are unable to procure the services of third-party vendors in response to increased demand from our customers, we may be compelled to make capital expenditures or seek out costlier or lower quality third-party vendors to meet our needs. Any inability to secure leased spaces, equipment, vehicles or independent contractors or on attractive terms could have an adverse effect on our business, financial condition and results of operations.

**7. We require a number of approvals, licenses, registrations and permits for our business and failure to obtain or renew them in a timely manner may adversely affect our operations.**

Our business is subject to government regulations and we require certain approvals, licenses, registrations and permissions for operating our business, including but not limited to registrations under local laws like the Shops & Commercial Establishments Acts and Tax on Professions, Trades, Callings and Employments Acts of various states where we are operational. Further, fresh and renewal applications for approvals, licenses, registrations and permissions for operating our business need to be made within certain timeframes. While we have obtained licenses and registrations for most of the states, we have made applications for some of the approvals and licenses. Further, in future also we will be required to apply for the renewal of approvals and permits for our business operations to continue. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” at pages 102 and 192 respectively of this RHP.

Our company has submitted an application to the concerned authorities for registration under Shops and Establishments Act for the State of Rajasthan, for which the approval is yet to be received. Details of which are as under:

S. No.	NATURE OF LICENSE/APPLICATION	APPLICATION NO.	ISSUING AUTHORITY	DATE OF APPLICATION
1.	Registration Certificate under Rajasthan Shops and Establishment Act, 1958	SCA/2023/27/133013	Government of Rajasthan, Department of Labour	November 24, 2023

**8. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past, the details of which are provided below:

Particulars	For the period ended	Financial Year ended		
	June 2023	2023	2022	2021
Cash Flow from operating activities	(188.41)	350.74	497.55	(13.32)
Cash Flow from Investing Activities	(413.11)	(1,000.77)	(2,001.33)	(598.99)
Cash Flow from Financing Activities	599.69	618.37	1,545.10	573.19

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

Our Company has filed certain Forms belatedly along with additional fees with MCA. Our Company has not complied with statutory provisions of Companies Act, 2013, with respect to filing of Consolidated Financial Statements for the Financial Year 2020-21 and 2021-2022 in Form AOC-4 CFS. Since, the Company filed Standalone Financial Statements for the Financial Year 2020-21 and 2021-2022 in Form AOC-4, the filing of Form AOC-4 CFS i.e., the Consolidated Financial Statement is now not possible unless the earlier Form AOC-4 is taken out of the MCA Portal and the same is declared as void.

In order to correct the default in filing of requisite e-form with ROC, the Company has filed an application on September 28, 2023, before NCLT under the provisions of Section 131 of the Companies Act, 2013 vide e-filing no. 07010100533692023 for seeking permission to file revised/updated Consolidated Financial Statements in the Form AOC-4 CFS and the Consolidated Financial Statement along with the aforesaid application for rectification has also been filed before ROC in e-form GNL-2. Once NCLT permits filing of revised AOC-4 along with AOC-4 CFS, the company shall take necessary steps to make the aforesaid default good. However, it cannot be assured that our aforesaid applications shall be allowed by NCLT and ROC/RD respectively in time or at all. Any penalty or additional fees if any, as may be imposed by the NCLT or ROC could have significant impact on the financial position of the company to that extent.

**10. Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.**

We are insured for the risks associated with our business activities through an insurance policy undertaken by our Group Company Bhumika Enterprises Private Limited, which is charging the same from our tenants as part of Common Area Maintenance charges. We believe that we have got our assets (18 shops in Urban Square) and stock in a major online e-commerce platform warehouse adequately insured; however, our policy of covering these risks through insurance may not always be effective or adequate there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance policy or exceeds our insurance coverage, our business and results of operations could be adversely affected. For further details of our business, please refer chapter titled "Our business - Insurance" beginning on page 97 of this RHP.

**11. We are dependent on third party transportation providers for delivery of product to us from our suppliers and delivery of our products to our customers. Any failure on part of such service providers to meet their obligation could have a material adverse effect on our business, financial condition and results of operations.**

Our success depends on the smooth supply and transportation of our products from our supplier to our warehouse and from our warehouse to our customers both of which are subject to various uncertainties and risks. In addition, products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and our results of operation negatively. A failure to maintain a continuous supply of our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

**12. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations**

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on September 30, 2023 our total outstanding indebtedness was ₹ 6,040.07 Lakh.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

1. increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. affecting our credit rating;
4. limiting our ability to borrow more money both now and in the future; and
5. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “*Statement of Financial Indebtedness*” on page 171 of this RHP.

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

The results of operations of our business are dependent on our ability to effectively manage our inventory. Our inventory levels as on March 31, 2023 were ₹. 2464.43 lakh. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and plan our purchases accordingly. If our management fails to estimate the expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory which could affect the cost. We estimate our sales based on the demand and requirements and also on the customer specifications. Further, any disruptions to the delivery of materials may occur for reasons such as poor handling, transportation bottlenecks or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt our supply of these products. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer demand could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation. For further details of our business, please refer chapter titled “Our business” beginning on page 89 of this RHP.

**14. Our Promoters have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoters, Uddhav Poddar, Uddhav Poddar (HUF) and Bhumika Realty Private Limited can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced, provided by them to/for the Company, and benefits deriving from the directorship in our Company. Our Promoters and Promoter Group are interested in the transactions entered into between our Company and our Promoter Group. For further information, please refer to the chapters titled “Our Business”, “Our Promoters and Promoter Group” and “Annexure 28” Related Party Transactions”, beginning on pages 89, 129 & 142 respectively of this RHP.



**15. Changes in customer preferences could affect our business, financial condition, results of operations and prospects.**

Any change in the customer preference can render our old stock obsolete, as changes in customer preference are generally beyond our control. Some or all of our products may become less attractive in light of changing customer preferences or better products by competitors and we may be unable to adapt to such changes in a timely manner. However, we constantly focus on research and development and to develop new products to cater the customer needs, any change in customer preferences that decreases demand could affect our business, financial condition, results of operations and prospects.

**16. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.**

The demand for our products depends on quality that we market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative sentiments regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Further, we operate in highly competitive markets in relation to our products where it is difficult to predict whether and when we will receive such orders. As a result, our results of operations can fluctuate from quarter to quarter and year to year depending on whether and when such orders are awarded to us and the commencement and progress of work under the orders placed.

**18. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflict of interest with the equity shareholders.**

We have entered into related party transactions with our Promoter Group entity, Bhumika Enterprises Private Limited to the tune of Rs.942.78 Lakh in the FY 2022-23 and of Rs. 173.92 Lakhs for the period ended June 30, 2023. While we believe that all such transactions have been conducted on arm's length basis and are in compliance with the Companies Act, 2013, SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015, relevant Accounting Standards and applicable law, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in future also. For details of these transactions, please refer to related party transactions as restated as appearing in the chapter titled "Financial Information of the Company" beginning on page 142 of this RHP. Further percentage of Income from related party transactions with respect to total revenue of the company for preceding three financial years, is as per below table:

*(Rs. in Lakhs)*

Sl. No.	Name of Related Party	Nature of transaction	June 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
1	Bhumika Enterprises Private Limited	Office Rent Income	7.04	26.80	25.53	24.31
2	Bhumika Enterprises Private Limited	Warehouse Operation & Management Income	-	-	36.00	20.00

3	Bhumika Enterprises Private Limited	Rent Income - Plant & Machinery	12.13	38.44	-	-
4	Bhumika Enterprises Private Limited	Interest Income on Loan	143.33	293.40	44.13	21.23
5	Bhumika Enterprises Private Limited	Assured Return received on Investment in Property (Return on Investment)	11.26	271.15	119.62	-
6	Bhumika Enterprises Private Limited	Car Rent Income	-	-	-	7.35
7	Bhumika Enterprises Private Limited	Office Operation Income	-	-	-	7.50
8	Bhumika Cinemas LLP	Interest Income on Loan	23.55	91.60	81.59	38.36
9	Bhumika Highstreet India Private Limited	Rent Income	0.16	0.62	0.26	-
10	Bhumika Projects Limited	Rent Income	0.15	0.60	0.60	0.60
11	Uddhav Properties Limited	Rent Income	0.06	0.24	0.24	0.24
12	Anubhav Minerals Private Limited	Rent Income	0.06	0.24	0.24	0.24
13	Bhumika Realty Private Limited	Rent Income	0.03	0.12	0.12	0.12
			<b>197.93</b>	<b>723.21</b>	<b>308.31</b>	<b>119.95</b>
	<b>Total Revenue</b>		<b>57,053.16</b>	<b>63,216.41</b>	<b>6,358.92</b>	<b>3,328.40</b>
	<b>% of Related Party Transaction to total turnover</b>		<b>0.35%</b>	<b>1.14%</b>	<b>4.85%</b>	<b>3.60%</b>

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

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Offer size above ₹10,000 Lakh. Hence, we have not appointed a monitoring agency to monitor the utilization of Offer proceeds and the audit committee of our Board will monitor the utilization of Offer proceeds as per the Board Resolution passed in the meeting held on July 26, 2023. There may be some deviations in the utilization of Offer proceeds. Though our Company undertakes to inform these deviations to the NSE and shall also simultaneously make the deviations / adverse comments of the audit committee public, there is no assurance that no bias will ever be exercised against the interest of the public shareholders.

**20. Late Deposits of Tax Deducted at Source (TDS) with the Income Tax Authority.**

We are deducting Income Tax from the payments as per the provisions of the Income Tax Act, 1961 and the same is required to be deposited with the Income Tax Authority within prescribed time limit. However, there has been instances where our Company and our Group Companies have not deposited the amount of TDS with the authority within time limit. Under the circumstances, the same has been deposited with interest. The details of the delay in depositing the TDS in case of our Group Companies/entities are as under:

Sr. No.	Name of the Group Company / entities	Amount of TDS (Rs. In Lakhs)	Payment date
1.	Anubhav Minerals Private Limited	0.09	October 18, 2023
2.	Uddhav Properties Limited	0.02	October 18, 2023
3.	Bhumika Cinema LLP	0.05	October 25, 2023

The delay in depositing the TDS for the Group Companies was due to change in the Accounts Department personnel. If we do not deposit the TDS amount in time, in future, we may be liable to pay TDS amount with interest and penalty and prosecutions against the Directors & the Company, if any.

**21. Negative publicity could adversely affect our revenue model and profitability of our Company.**

Our business is dependent on the trust our customers have reposed in the quality of our products. Any negative publicity our Company due to any other unforeseen events could affect our reputation and our results from operations. Further, our business may also be affected if there is any negative publicity associated with the services which are being rendered by our Company which may indirectly result in erosion of our reputation and goodwill.

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

Recovery of our receivables and timely collection of client balances depends on our ability to complete our commitments. We might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. Our trade receivable as on March 31, 2023 stood at ₹. 3096.78 Lakh and for the period ended June 30, 2023 stood at 4,515.41 Lakhs. In addition, if we experience an increase in the time to bill and collect for our goods, our cash flows could be adversely affected. If client's default in their payments to which the Company has devoted significant resources or in which it has invested significant resources is delayed, cancelled or does not proceed to completion, it could have an adverse effect on the Company's business, financial condition and results of operations.

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

As on June 30, 2023, we had total inventory consisting of goods to the value of ₹. 2,340.72 lakh. Our business operations require us to maintain large amounts of inventory at all times. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking and display. Although we have set up various security measures and follow stringent operational processes such as stock-taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

**24. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.**

We operate in a highly competitive business environment. Growing competition in the domestic market from domestic players and/or the international players, we are subject to pricing pressures and require us to reduce the prices of our products in order to retain and/or attract new customers, which may have a material adverse effect on our revenues and margins. Some of our competitors may be increasing their capacities and targeting the same products in which we are dealing. There can be no assurance that we can continue to effectively compete with our competitors in the future, any failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

**25. Unsecured loans taken by our Company from Promoter Group, Directors and their relatives, can be recalled by the lenders at any time.**

As on September 30, 2023, our Company has unsecured loans amounting to ₹. 170.12 lakh from our Group Companies, Directors and their relatives that are repayable on demand to the relevant lender. However, any unexpected demand of any future unsecured loan from directors and their relatives may accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled Statement of *Financial Indebtedness* on page 171 of this RHP.

**26. Conflicts of interest may arise out of common business undertaken by our Company and our Promoter Group Entities.**

Our Group Entities namely Bhumika Enterprises Private Limited and Bhumika Highstreet India Private Limited are authorized to carry out business similar to that of our Company. We have not entered into any non-compete agreement with such entities. We cannot assure that our Promoters/ Promoter Group who have common interest in such entities will not favour the interest of such entities. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other Companies in which our Promoters have interests. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

**27. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.**

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer “Dividend Policy” on page 141 of this RHP.

**28. Our Company and our Promoters namely Uddhav Poddar and Bhumika Realty Private Limited have provided personal/corporate guarantees for loan facilities obtained by our Group Companies and any failure or default by our Group Company/s to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on our Company and our Promoter, which may impact our ability to effectively service our obligations and thereby impact our business and operations.**

Our Promoters namely Uddhav Poddar and Bhumika Realty Private Limited have provided corporate/personal guarantees for the loan facilities obtained by Bhumika Highstreet India Private Limited for the loan of Rs 1,500 Lakhs. Out of the total contingent liability of our Company of Rs. 9,126.71 lakhs as on September 30, 2023, there is a Corporate/personal Guarantee extended by Issuer Company and our Promoters namely Bhumika Realty Private Limited and Uddhav Poddar of Rs 4,280.35 Lakhs for the Loan availed by Bhumika Enterprises Private Limited. Our Company and our Promoters namely Uddhav Poddar and Bhumika Realty Private Limited have also acted as Co-borrowers for loan of Rs. 4,825.73 Lakhs obtained by Bhumika Enterprises Private Limited.

Though there has not been any instance of default or restructuring of loan in the past there is no guarantee or assurance that in future no default may occur. In case of any such failure or default by our Group Companies to repay these loans in accordance with the terms and conditions of the financing documents, it could trigger repayment obligations on our Company, which may impact our ability to effectively service our obligations and thereby impact our business and operations. For further details, please refer to the chapter titled “Financial Information of the Company” on page 142 of this RHP.

**29. Our inability to manage growth could disrupt our business and reduce profitability. Our business strategy is to continuously grow by expanding the size of our businesses.**

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

**30. Highly dependent on our ability to control costs and pass on any increase in operating expenses to customers, while continuing to offer competitive pricing.**

To maintain competitive pricing and enhance our profit margins, we must continuously control our costs. Employee benefits expense, line haul expenses, contractual manpower expenses, vehicle rental expenses, rent and power represent some of our most significant recurring operating costs and an increase in such costs or an inability to pass on some or all of such increase to our customers will adversely affect our results of operations and cash flows. Rental costs Our

Contingent Liability and Commitments could affect our financial position.

**31. Our Contingent Liability and Commitments could affect our financial position.**

As on September 30, 2023, we have Contingent Liability of ₹ 9,126.71 lakh on the basis of corporate guarantee and Co-Borrowership on behalf of our related parties to secure financial facilities and our Company's IT Dues, which have not been provided in our financial statements and which could affect our financial position. For further details, please refer to the chapter titled *"Financial Information of the Company"* on page 142 of this RHP.

**32. There are certain restrictive covenants in the agreements that our Company has entered into with Banks.**

The loan agreements entered into by us with banks contain specific covenants which require us to obtain the prior approval/ permission from the banks on the occurrence of certain events such as formulation of any scheme of amalgamation or reconstruction, undertaking of any new project or expansion, making any substantial change in our management set up, any change in our capital structure resulting in reduction of capital, etc. We are required to obtain consent/approval from our lender before undertaking any such steps which have been mentioned in the loan agreements. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see *"Statement of Financial Indebtedness"* on page 171 of the RHP.

**33. The Objects of the Offer for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled "Objects of the Offer".**

The fund requirement and deployment, as mentioned in the "Objects of the Offer" on page 67 of this RHP is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Offer" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "Objects of the Offer" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**34. Our diverse and complex multi-location operations subject us to various statutory, legal and regulatory risks.**

Our future revenue growth depends upon the successful operation of our operating locations and warehouses, the efficiency of our delivery systems and the successful management of our sales, marketing, and support and service teams through direct and indirect channels in various states across India where our existing or potential clients are located. The expansion of our business may require that we establish new offices and warehouses and manage businesses in widely disparate states with different statutory, legal and regulatory framework. In addition, we may be affected by various factors inherent in carrying out business operations in several states in India and abroad, such as:

- coordinating and managing operations in several locations, including different political, economic and business conditions and labour laws and associated uncertainties;
- exposure to different legal standards and enforcement mechanisms and compliance with regulations; and
- difficulties in staffing and managing operations, including coordinating and interacting with our local representatives and business partners to fully understand local business and regulatory requirements.

**35. We have not independently verified certain data in this RHP.**

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you 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 caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**36. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.**

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**37. 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 is based on numerous factors. For further information, see the chapter titled "Basis for Offer Price" beginning on page 75 of this RHP and may not be indicative of the market price of our Equity Shares after the Offer. 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. The factors that could affect our share price are:

- Variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**38. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.**

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT"), is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**39. There have been some delays in payment of Statutory dues like GST and EPF by the Company which may adversely affect its operations and financial conditions.**

Delay in payment of Statutory dues like GST and EPF by the Company. In the past there were few instances of minor delays in payment of statutory dues like GST and EPF as well as filing of the monthly returns with the respective authorities. Though the Company shall make all endeavors to pay the taxes and EPF contributions on time and also file the returns on time there is no assurance that in future there will not be such delays in payment and filing of returns at all. In case such lapses occur in future the concerned authority may impose penalty or pass any other order on/against the Company which may adversely affect our operations and financial condition.

**40. The degree / certificates pertaining to the educational qualifications of one of our Directors, Sunira Chamaria (being the bachelors' degree in commerce from University of Delhi) and our Promoter who is also Managing Director of our Company, Uddhav Poddar (being the bachelors' degree in commerce from University of Delhi) are not traceable.**

The Promoter, Uddhav Poddar and the Director have taken the requisite steps to obtain the relevant supporting documentation, including by making a written application to the aforementioned universities but they have not been able to procure the same and have filed FIRs also regarding the same.

Accordingly, our Company has placed reliance on affidavits furnished by the Promoter and the Director to us and the Book Running Lead Managers, and copies of the FIRs, to disclose the details of their educational qualifications in this Red Herring Prospectus.

**41. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders.**

The Offer comprises a Fresh Issue of up to 33,80,000 Equity Shares aggregating up to ₹[•], and an Offer for Sale 15,00,000 Equity Shares aggregating up to ₹[•] by the Selling Shareholders. The proceeds from the Offer for Sale will be transferred to the each of the Selling Shareholders, including the Promoters Selling Shareholders, in proportion to their respective portion of the Offered Shares transferred by each of them in the Offer for Sale (after deducting applicable Offer-related expenses and taxes) and will not result in any creation of value for us or in respect of your investment in our Company. The proceeds received from the Offer for Sale will not form part of the proceeds from the Fresh Issue. For further information, see “Objects of the Offer” beginning on page 67.

**EXTERNAL**

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

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

**43. Political, Economic and Social changes in India could adversely affect our business.**

Our business, and the market price and liquidity of our Company’s shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

**44. Our business is dependent on economic growth in India.**

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009, several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

**45. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.**

India ‘s physical infrastructure is less developed than that of many developed countries. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India’s physical infrastructure would harm the national economy.

**46. Global economic downturn and adverse market conditions could cause our business to suffer. A slowdown in economic growth in India could cause our business to suffer.**

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of a downturn affecting their economic condition and markets general business and consumer sentiment has been adversely affected due to the global slowdown and there can be no assurance whether the developed economies or the emerging market economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets. Our performance and growth are directly related to the performance of the Indian economy. The performance of the Indian economy is dependent among other things on the interest rate, political and regulatory actions, liberalization policies, commodity and energy prices etc. A change in any of the factors would affect the growth prospects of the Indian economy, which may in turn adversely impact our results of operations, and consequently the price of our Equity Shares.

**47. Any downgrading of India's debt rating by an independent agency may harm our ability to raise debt financing.**

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

**48. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.**

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time-to-time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**49. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.**

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Approvals" beginning on page 192 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.



## INTRODUCTION THE OFFER

<b>PRESENT OFFER IN TERMS OF THIS PROSPECTUS</b>	
<b>Offer of Equity Shares by our Company<sup>(1,2)</sup></b>	Offer of upto 48,80,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
<b>Consisting of:</b>	
Fresh Issue	Upto 33,80,000 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
Offer for Sale	Upto 15,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
<b>The Offer consist of:</b>	
<b>Market Maker Reservation Portion</b>	Upto 2,44,800 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
<b>Net Offer to the Public</b>	Upto 46,35,200 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
<b>Out of which*</b>	
A. QIB Portion <sup>(3,4)</sup>	Upto 23,16,800 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
<b>Of which</b>	
i) Anchor Investor Portion	Upto 13,34,400 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
ii) Net QIB Portion	Upto 9,82,400 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
<b>Of which</b>	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
b. Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Upto 6,96,000 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
C. Retail Portion	Upto 16,22,400 Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs
<b>Pre and Post – Offer Equity Shares</b>	
<b>Equity Shares outstanding prior to the offer</b>	1,51,50,000 Equity Shares of face value of ₹ 10 each
<b>Equity Shares outstanding after the offer</b>	1,85,30,000 Equity Shares of face value of ₹ 10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “Objects of the Offer” on page 67 of this Red Herring Prospectus.

*\*Subject to finalisation of the Basis of Allotment, Number of shares may need to be adjusted for lot size upon determination of Offer price.*

### Notes:

- The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Offer 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 – Offer paid up equity share capital of our company are being offered to the public for subscription.
- The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 18, 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 September 15, 2023.

The Selling Shareholders have consented to participate in the Offer for Sale in the following manner:

<b>Name of the Selling shareholder</b>	<b>Category</b>	<b>Authorisation Letter dated</b>	<b>No of Equity shares held</b>	<b>No of Equity Shares offered by way of Offer for Sale</b>	<b>% of Pre-offer paid Equity Share Capital</b>
Uddhav Poddar	Promoter	September 28, 2023	48,12,650	3,75,000	2.48%
Bhumika Realty Private Limited	Promoter	September 28, 2023	29,79,500	11,25,000	7.43%
<b>TOTAL</b>			<b>77,92,150</b>	<b>15,00,000</b>	<b>9.91%</b>

The Selling Shareholders has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

3. The SEBI (ICDR) Regulations permit the Offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the Net Offer i.e. not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Offer shall be available for allocation to Non-institutional bidders.
4. Subject to valid Bids being received at or above the Offer 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 and Selling Shareholders, 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 Offer 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 “Offer Procedure” beginning on page 217 of this Red Herring Prospectus.

## **SUMMARY OF FINANCIAL INFORMATION**

*The section provides the summary of financial information of our Company derived from the Restated Consolidated Financial Information for the period ended June 30, 2023 and for the Financial Years ended March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 142 of this Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 142 and 178, respectively of this Red Herring Prospectus.*

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

**PART I — BALANCE SHEET**

**Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)**  
Restated Consolidated Statement of Assets & Liabilities

All amounts are in Rupees Lakhs

Particulars	Note No.	As at 30 <sup>th</sup> June,2023	As at 31 <sup>st</sup> March,2023	As at 31 <sup>st</sup> MARCH,2022	As at 31 <sup>st</sup> MARCH,2021
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' funds</b>					
(a) Share capital	2	15.00	15.00	15.00	15.00
(b) Reserves and surplus	3	2,133.29	1,918.64	1,211.62	834.60
<b>(2) Non-current liabilities</b>					
(a) Long-term borrowings	4	3,899.07	3,213.35	2,476.88	1,070.37
(b) Deferred tax liabilities (Net)	13	-	-	-	3.27
(c) Other Long term liabilities	5	95.08	95.08	-	-
(d) Long-term provisions	6	64.30	55.47	33.93	-
<b>(3) Current liabilities</b>					
(a) Short-term borrowings	7	1,589.44	1,542.72	1,234.34	817.76
(b) Trade payables	8	6,970.98	5,272.19	1,050.80	252.26
(c) Other current liabilities	9	1,743.87	1,700.04	323.16	165.85
(d) Short-term provisions	10	331.33	257.37	148.13	117.39
<b>TOTAL</b>		<b>16,842.35</b>	<b>14,069.86</b>	<b>6,493.87</b>	<b>3,276.49</b>
<b>II. ASSETS</b>					
<b>Non-current assets</b>					
(1) (a) Property, Plant and Equipment and Intangible assets					
(i) Property, Plant and Equipment	11	179.45	185.19	111.65	83.34
(ii) Intangible assets		-	-	-	-
(b) Non-current investments	12	2,863.51	2,863.24	2,639.48	125.69
(c) Deferred tax assets (net)	13	18.68	16.87	0.70	-
(d) Other non-current assets	14	31.12	31.33	29.76	25.46
<b>(2) Current assets</b>					
(a) Current investments		-	-	-	-
(b) Inventories	15	2,340.72	2,464.43	379.60	-
(c) Trade receivables	16	4,515.41	3,096.78	1,024.63	367.84
(d) Cash and cash equivalents	17	29.68	35.46	1,061.13	1,769.38
(e) Short-term loans and advances	18	3,905.26	3,280.64	914.76	607.92
(f) Other current assets	19	2,958.52	2,095.93	332.16	296.86
<b>Total</b>		<b>16,842.35</b>	<b>14,069.86</b>	<b>6,493.87</b>	<b>3,276.49</b>

Summary of significant accounting policies

The accompanying notes (1 to 41) are integral part of the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE

**FOR K N GUTGUTIA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 304153E

(B R Goyal)  
PARTNER  
M. NO.12172

For and on behalf of the board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00886181

(Ram Gopal Choudhary)  
Director  
DIN: 05637502

PLACE : NEW DELHI

DATE : 18/11/2023



Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)  
Restated Consolidated Profit and loss statement

All amounts are in Rupees Lakhs

	Particulars	Note No.	For the period ended 30th June,2023	For the year ended 31 <sup>st</sup> March,2023	For the year ended 31 <sup>st</sup> March,2022	For the year ended 31 <sup>st</sup> March,2021
I	Revenue from operations	20	56,837.41	62,462.35	6,028.75	3,140.32
II	Other income	21	215.75	754.07	330.17	188.08
III	<b>Total Revenue (I + II)</b>		<b>57,053.16</b>	<b>63,216.41</b>	<b>6,358.92</b>	<b>3,328.40</b>
IV	<b>Expenses:</b>					
	Purchases of Stock-in-Trade	22	52,771.29	54,701.37	2,130.90	
	Changes in inventories of Stock-in-Trade	23	123.72	(2,084.83)	(379.60)	
	Operating Expenses	24	922.61	3,742.01	2,765.20	2,161.57
	Employee benefits expense	25	153.49	545.27	422.90	389.60
	Finance costs	26	132.75	426.48	277.99	111.52
	Depreciation and amortization expense	11	5.87	24.80	31.97	32.29
	Other expenses	27	2,656.92	4,925.02	586.87	234.60
	<b>Total expenses</b>		<b>56,766.64</b>	<b>62,280.12</b>	<b>5,836.24</b>	<b>2,929.58</b>
V	<b>Profit before tax (IV - III)</b>		<b>286.52</b>	<b>936.30</b>	<b>522.69</b>	<b>398.82</b>
VI	<b>Tax expense:</b>					
	(1) Current tax		(73.96)	(245.72)	(148.13)	(117.39)
	(2) Deferred tax		1.81	16.17	3.97	17.92
	(3) Tax adjustments related to earlier years		-	(0.88)	(2.22)	0.34
VII	<b>Profit (Loss) for the period (V - VI)</b>		<b>214.37</b>	<b>705.87</b>	<b>376.31</b>	<b>299.69</b>
VIII	<b>Add/(Less): Share in profit/(Loss) of Associates</b>		<b>0.28</b>	<b>1.15</b>	<b>0.72</b>	<b>1.28</b>
IX	<b>Profit (Loss) for the period (VII - VIII)</b>		<b>214.65</b>	<b>707.02</b>	<b>377.02</b>	<b>300.96</b>
X	<b>Earnings per equity share:</b>					
	(1) Basic		142.91	470.58	250.87	199.79
	(2) Diluted		142.91	470.58	250.87	199.79

Summary of significant accounting policies

The accompanying notes (1 to 41) are integral part of the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR K N GUTGUTIA & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 304153E

(B R Goyal)  
PARTNER  
M. NO.12172

PLACE : NEW DELHI  
DATE : 18/11/2023

For and on behalf of For and on behalf of the board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00886181

(Ram Gopal Choudhary)  
Director  
DIN: 06837502



Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)  
Restated Consolidated Cash Flow Statement

All amounts are in Rupees Lakhs

S. No	Particulars	For the period ended 31st June, 2023	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>					
Net Profit/(Loss) Before tax		286.52	936.30	522.69	398.82
Adjustment for:					
Depreciation and amortization	5.87		24.80	31.97	32.29
Finance Cost paid	132.75		426.48	277.99	111.52
Interest Received	(167.18)		(389.30)	(181.57)	(138.93)
Return on Investment	(11.26)		(271.15)	(114.96)	
(Profit)/ Loss on sale/discrad of FA			(0.77)	0.73	12.74
		(39.82)	(209.94)	14.16	17.62
<b>Operating profit before working capital changes</b>		<b>246.70</b>	<b>726.36</b>	<b>536.86</b>	<b>416.45</b>
Adjustment for:					
(Increase)/Decrease in receivables	(2,310.27)		(3,868.32)	(529.87)	(78.84)
Increase/(Decrease) in payables/provision	1,825.41		5,824.13	1,020.52	(233.87)
(Increase)/Decrease in Inventories	123.72		(2,084.83)	(379.60)	
		(361.14)	(129.02)	111.04	(312.71)
<b>Cash generated from operations</b>		<b>(114.44)</b>	<b>597.34</b>	<b>647.90</b>	<b>103.74</b>
Direct taxes paid		(73.96)	(246.60)	(150.35)	(117.06)
<b>Net cash Inflow/(outflow) from operating activities (A)</b>		<b>(188.41)</b>	<b>350.74</b>	<b>497.55</b>	<b>(13.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of Property, Plant & Equipment		(0.14)	(98.42)	(61.01)	(15.99)
Proceeds from Sale of Property, Plant & Equipment			0.85		121.75
Loan & Advances given/ (received back)	(595.37)		(2,335.05)	(473.35)	
Maturity/Investments in Bank Fixed Deposits	3.96		994.01	749.58	(844.95)
Investment in properties	(0.28)		(223.76)	(2,513.78)	
Share in profit/(Loss) of Associates	0.28		1.15	0.72	1.28
Interest Received	167.18		389.30	181.57	138.93
Return on Investment	11.26		271.15	114.96	
<b>Net cash inflow/(outflow) from investing activities (B)</b>		<b>(413.11)</b>	<b>(1,000.77)</b>	<b>(2,001.33)</b>	<b>(598.99)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>					
Proceeds from/ (repayment of) long term borrowings	685.72		735.46	1,406.52	109.92
Proceeds from/ (repayment of) short term borrowings	46.72		308.38	416.58	574.79
Finance Cost paid	(132.75)		(426.48)	(277.99)	(111.52)
<b>Net Cash Inflow/(Outflow) from financing activities (C)</b>		<b>599.69</b>	<b>618.37</b>	<b>1,545.10</b>	<b>573.19</b>
<b>D. Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>(1.83)</b>	<b>(31.67)</b>	<b>41.33</b>	<b>(39.12)</b>
Cash and cash equivalents at the beginning of the year (Opening balance)		21.51	53.17	11.84	50.97
<b>Cash and cash equivalents at the closing of the year (Closing balance)</b>		<b>19.68</b>	<b>21.51</b>	<b>53.17</b>	<b>11.84</b>

Foot Note:-

- The above cash flow has been prepared under the Indirect Method as set out in the Accounting Standard-3 Cash flow Statements by The Institute of Chartered Accountants of India.
- Previous year figures have been regrouped/rearranged wherever considered necessary to confirm to make them comparable.
- Cash & Cash Equivalent at the closing of the year includes Cash in hand, Bank Balances, Cheque in hand & Dr. Balance of Overdraft.

For K N Gutgutia & Co.  
Chartered Accountants  
Firm Registration Number: 304153E

(B N Goyal)  
Partner  
M. No. 12172

PLACE : NEW DELHI  
DATE : 18/11/2023

For and on behalf of Board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00888181

(Ram Gopal Choudhary)  
Director  
DIN: 00637502



## GENERAL INFORMATION

Our Company was originally formed and registered on August 24, 2007 as a private limited Company in the name and style of “M/s Kaushalya Buildcon Private Limited” (CIN: U45400DL2007PLC167397), Further, the name of our Company was changed from M/s Kaushalya Buildcon Private Limited to M/s Kaushalya Logistics Private Limited with effect from August 16, 2016 and a new Certificate of Incorporation in the new name was received from the ROC. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on March 15, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “M/s Kaushalya Logistics Private Limited” to “M/s Kaushalya Logistics Limited” vide a fresh Certificate of Incorporation dated May 01, 2023 issued by the Registrar of Companies, Delhi, bearing CIN U45400DL2007PLC167397. For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 111 of this RHP.

<b>CIN</b>	U45400DL2007PLC167397
<b>Registration No.</b>	167397
<b>Date of Incorporation</b>	August 24, 2007
<b>Registered Office</b>	19 Community Centre, First and Second Floor, East of Kailash, New Delhi-110065 <b>Tel. No.:</b> +91-011-4132-6013 <b>Email:</b> <a href="mailto:info@kaushalya.co.in">info@kaushalya.co.in</a> <b>Website:</b> <a href="https://www.kaushalya.co.in/">https://www.kaushalya.co.in/</a>
<b>Designated Stock Exchange</b>	Emerge Platform of NSE i.e. “NSE EMERGE”
<b>Address of the Registrar of Companies</b>	Registrar Of Companies, Delhi and Haryana 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi -10019 <b>Tel No:</b> 011-26235703, 26235708 <b>Email id:</b> roc.delhi.mca.gov.in <b>Website:</b> www.mca.gov.in

### **Board of Directors:**

The Board of Directors of our Company as on the date of filing of this RHP consists of:

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Uddhav Poddar	Chairman and Managing Director	E-504, Greater Kailash Part-II, South Delhi, Delhi-110048	00886181
Ram Gopal Choudhary	Non- Executive Director	House No-36, Ground Floor M2K White House, Sector-57, Gurgaon, Sadar Bazar, Haryana – 122001	06637502
Sunira Chamaria	Non- Executive Director	2 No. Rowland Road, L.R. Sarani, Kolkata, West Bengal – 700020	00027894
Uma Verma	Independent Director	H.NO. C-621, Chaudhary Aara Machine, Dabua Colony, Faridabad, Haryana – 121001	10197376
Narendra Kumar Somani	Independent Director	S-70 Greater Kailash-I, South Delhi, Delhi-110048	00407263

For further details in relation to our Directors, please refer to chapter titled “*Our Management*” on page 115 of this RHP.

<b>Chief Financial Officer</b>	<b>Company Secretary &amp; Compliance Officer</b>
Vinay Kumar Poddar Kaushalya Logistics Limited <b>Address:</b> 19 Community Centre, First and Second Floor, East of Kailash, New Delhi-110065 <b>Tel. No.:</b> +91-011-41326013 <b>E-mail:</b> <a href="mailto:cfo@kaushalya.co.in">cfo@kaushalya.co.in</a> <b>Website:</b> <a href="http://www.kaushalya.co.in">www.kaushalya.co.in</a>	Prateek Sharma Kaushalya Logistics Limited <b>Address:</b> 19 Community Centre, First and Second Floor, East of Kailash, New Delhi-110065 <b>Tel. No.:</b> +91-011-41326013 <b>E-mail:</b> <a href="mailto:cs@kaushalya.co.in">cs@kaushalya.co.in</a> <b>Website:</b> <a href="http://www.kaushalya.co.in">www.kaushalya.co.in</a>



**Investor Grievances:**

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer and/or the Book Running Lead Manager, in case of any pre-offer or post-offer related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Offer 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 Offer, 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 Offer related queries and for redressal of complaints, investors may also write to the BRLM.

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

<b>Book Running Lead Manager to the Offer</b>	<b>Legal Advisor to the Offer</b>
<b>Khandwala Securities Limited</b> <b>Address:</b> Khandwala Securities Limited Vikas Building, Ground Floor, Green Street, Fort, Mumbai 400023, Maharashtra, India <b>Tel. No.:</b> +91 22 40767373 <b>Email:</b> <a href="mailto:rinav@kslindia.com">rinav@kslindia.com</a> / <a href="mailto:ipo@kslindia.com">ipo@kslindia.com</a> <b>Investor Grievance email:</b> <a href="mailto:investorgrievances@kslindia.com">investorgrievances@kslindia.com</a> <b>Website:</b> <a href="http://www.kslindia.com">www.kslindia.com</a> <b>Contact Person:</b> Rinav Manseta/Abhishek Joshi <b>SEBI Regn. No.:</b> INM000001899	<b>Zenith India Lawyers</b> <b>Address:</b> D-49 Sushant Lok III, Sector 57, Gurugram, Haryana-122003 <b>Tel:</b> +91- 9899016169 <b>Email:</b> <a href="mailto:raj@zilawyers.com">raj@zilawyers.com</a> <b>Contact Person:</b> Raj Rani Bhalla
<b>Registrar to the Offer</b>	<b>Statutory Auditor</b>
<b>Skyline Financial Services Private Limited</b> <b>Address:</b> D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 <b>Tel No.:</b> +91-11-40450193-97 <b>Fax No.:</b> +91-11-26812683 <b>Email:</b> <a href="mailto:compliances@skylinerta.com">compliances@skylinerta.com</a> <b>Investor Grievance Email:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>Contact Person:</b> Pawan Bisht <b>SEBI Regn. No.:</b> INR000003241	<b>K.N Gutgutia &amp; Co.</b> <b>Chartered Accountants</b> <b>Address:</b> 11K, Gopala Tower, 25 Rajendra Place, Patel Nagar East, New Delhi- 110008 <b>Tel No.:</b> +91-011-43104002 <b>Email:</b> <a href="mailto:brg1971@cakng.com">brg1971@cakng.com</a> <b>Firm Registration No.:</b> 304153E <b>Contact Person:</b> B R Goyal <b>Peer Review Number:</b> 013704
<b>Advisors to the Company</b>	<b>Bankers to the Company</b>
<b>Neomile Corporate Advisory Limited</b> <b>Registered Office Address:</b> Unit No. 1215, C Wing, One BKC, Bandra Kurla Complex, Mumbai 400 051 <b>Telephone:</b> +91 22 62398080 <b>E-mail:</b> <a href="mailto:info@neomilecapital.com">info@neomilecapital.com</a> <b>Website:</b> <a href="http://www.neomilecapital.com">www.neomilecapital.com</a> <b>Contact Person:</b> Kirtan Rupareliya	<b>ICICI Bank Limited</b> <b>Registered Office Address:</b> ICICI Bank Tower, near Chakli Circle old Padra Road, Vadodara-390007 <b>Corporate Office:</b> ICICI Bank Tower, Bandra-Kurla Complex, Mumbai-400051 <b>Tel:</b> 022 33667777 <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>Email:</b> <a href="mailto:sanshika.sharma@icicibank.com">sanshika.sharma@icicibank.com</a> <b>Contact Person:</b> Sanshika Sharma <b>CIN:</b> L65190GJ1994PLC021012



<b>Syndicate Member</b>	<b>Banker to the Offer/ Refund Banker/ Sponsor Bank</b>
<b>Khandwala Securities Limited</b> <b>Address:</b> Khandwala Securities Limited Vikas Building, Ground Floor, Green Street, Fort, Mumbai 400023, Maharashtra, India <b>Tel. No.:</b> +91 22 40767373 <b>Email:</b> <a href="mailto:ipo@kslindia.com">ipo@kslindia.com</a> <b>Investor Grievance email:</b> <a href="mailto:investorgrievances@kslindia.com">investorgrievances@kslindia.com</a> <b>Website:</b> <a href="http://www.kslindia.com">www.kslindia.com</a> <b>Contact Person:</b> Abhishek Joshi <b>SEBI Regn. No.:</b> INM000001899	<b>ICICI Bank Limited</b> <b>Address:</b> Capital Market Division, 5th Floor, 122, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai – 400 020, Maharashtra, India <b>Telephone:</b> +91 22 66818911/924/933 <b>Fax:</b> +91 22 22611138 <b>Email:</b> <a href="mailto:ipocmg@icicibank.com">ipocmg@icicibank.com</a> <b>Contact Person:</b> Varun Badai <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>SEBI Registration Number:</b> INBI00000004

#### **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) 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 Offer 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 Offer 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 Offer**

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

##### **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 142 and 79 respectively of this RHP 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, Khandwala Securities Limited is the sole Book Running Lead Manager to this Offer, 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 Offer size is up to ₹ 10,000 Lakh. Since the Offer size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Offer. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the offer.

#### **Green Shoe Option**

No Green Shoe Option is applicable for this Offer.

#### **Credit Rating**

As this is an offer of Equity Shares, there is no credit rating for the Offer.

#### **IPO Grading**

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

#### **Debenture Trustees**

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

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

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

The RHP will not be filed with SEBI, nor will SEBI offer 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 will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus and 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 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi.

#### **Book Building Process**

Book Building, with reference to the Offer, 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 an English national newspaper, Financial Express, all editions of a Hindi national newspaper, Jansatta, at least two working days prior to the Bid/ Offer Opening date. The Offer 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/ Offer Closing Date. Principal parties involved in the Book Building Process are:-

Our Company:

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

The SEBI ICDR Regulations have permitted the Offer 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 Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer 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 Offer 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 Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer 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 Offer Price. All potential Bidders may participate in the Offer 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 Offer. 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 Offer. 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/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Subject to valid Bids being received at or above the Offer Price, allocation to all categories in the Net Offer, 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 is invited to the chapter titled “*Offer Procedure*” beginning on page 217 of the RHP.

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 Offer.

For further details on the method and procedure for Bidding, please see section entitled “*Offer Procedure*” on page 217 of this RHP.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%

1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “**Offer Procedure**” on page 217 of this RHP)
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this RHP and in the Bid cum Application Form;

#### Bid/ Offer Program:

Event	Indicative Dates
Bid/ Offer Opening Date	Friday, December 29, 2023
Bid/ Offer Closing Date	Wednesday, January 3, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, January 4, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Friday, January 5, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, January 5, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Monday, January 8, 2024

<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/ Offer Period shall be one Working Day prior to the Bid/ Offer 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/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer 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 Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer 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/Offer 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/Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this RHP is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Offer Closing Date, as is typically experienced in public Offer, 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 Offer. 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/Offer Closing Date. Allocation to Retail Individual Applicants, in this Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical 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 Offer 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 Offer hereby confirm that the Offer will be 100% Underwritten.

Pursuant to the terms of the Underwriting Agreement dated December 22, 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 Lakh)	% of Total Offer Size Underwritten
Khandwala Securities Limited <b>Address:</b> Vikas Building, Ground Floor, Green Street, Fort, Mumbai 400 023, Maharashtra, India <b>Telephone:</b> +91 22 40767373 <b>E-mail:</b> <a href="mailto:rinav@kslindia.com">rinav@kslindia.com</a> / <a href="mailto:ipo@kslindia.com">ipo@kslindia.com</a>	48,80,000	3,660.00	100.00

*\*Includes upto 2,44,800 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, [●] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 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 Statutory Auditors during the last three (3) years

There have been no changes in our Company's auditors in the last three (3) years.

### Withdrawal of the Offer

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

If our Company withdraws the Offer any time after the Bid/ Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Offer, 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 Offer after the Bid/ Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will have to file a fresh RHP with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the RHP, which our Company will apply for



only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with RoC.

**Details of the Market Making arrangements for the offer**

Our Company and the BRLM has entered into Market Making Agreement dated December 22, 2023 with the following Market Maker, to fulfill the obligations of Market Making for this offer:

<b>Name</b>	Nikunj Stock Brokers Limited
<b>Correspondence Address</b>	A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi 110 007
<b>Tel No.</b>	011-47030017-18/ 99994 92292
<b>E-mail</b>	<a href="mailto:monika@nikunjonline.com">monika@nikunjonline.com</a> / <a href="mailto:info@nikunjonline.com">info@nikunjonline.com</a>
<b>Website</b>	<a href="http://www.nikunjonline.com">www.nikunjonline.com</a>
<b>Contact Person</b>	Anupam Suman
<b>SEBI Registration No.</b>	INZ000169335
<b>Market Maker Registration No.</b>	NSE/MEM/278/06913

The Market Maker shall fulfil 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 arrangements:**

- 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 EMERGE platform of NSE (in this case currently the minimum trading lot size is [\*] equity shares; however, the same may be changed by the EMERGE platform of NSE 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 Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer 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 script 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:** EMERGE portal of NSE 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 Exchange 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 Offer size and as follows:

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer 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 offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:

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

Our Equity Share Capital before the offer and after giving effect to the offer, as on the date of filing of this RHP, is set forth below:

Amount (₹ in Lakh except share data)			
Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price
<b>A.</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	2,50,00,000 Equity Shares of face value of ₹10 each	2500.00	
<b>B.</b>	<b>ISSUED, SUBSCRIBED &amp; PAID-UP SHARE CAPITAL BEFORE THE OFFER</b>		
	1,51,50,000 fully paid Equity Shares of face value of ₹. 10 each	1515.00	
<b>C.</b>	<b>PRESENT OFFER IN TERMS OF THIS RHP</b>		
	Offer of upto 48,80,000 Equity Shares of face value of ₹10 each at a premium of [●] per share	[●]	[●]
	<b>Which Comprises:</b>		
	(a) Fresh issue of upto 33,80,000 Equity Shares of face value of ₹10 each at a premium of [●] per share	[●]	[●]
	(b) Offer for Sale of upto 15,00,000 Equity Shares of face value of ₹10 each at a premium of [●] per share	[●]	[●]
(I)	Reservation for Market Maker upto 2,44,800 Equity Shares of face value of ₹10 each at a premium of ₹. [●] will be available for allocation to Market Maker	[●]	[●]
(II)	Net Offer to the Public of upto 46,35,200 Equity Shares of face value of ₹10 each at a premium of ₹[●] per share	[●]	[●]
	<b>Of Net Offer to the Public</b>		
(I)	16,22,400 Equity Shares of face value of ₹10 each at a premium of ₹[●] per share shall be available for allocation for Investors applying for a value of upto ₹2 Lakh	[●]	[●]
(II)	6,96,000 Equity Shares of face value of ₹10 each at a premium of ₹[●] per share shall be available for allocation for Investors applying for a value above ₹2 Lakh	[●]	[●]
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT OFFER</b>		
	1,85,30,000 Equity Shares of ₹10 each	[●]	
<b>E.</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	Share Premium account before the Offer	NIL	
	Share Premium account after the Offer	[●]	

### NOTES TO THE CAPITAL STRUCTURE:

The present Public Offer of upto 48,80,000 Equity Shares comprising of Fresh Issue of upto 33,80,000 Equity shares and an offer for sale by the Promoters of upto 15,00,000 equity shares have been authorized by the Board of Directors of our Company at its meeting held on August 18, 2023 and was approved by the Shareholders of the Company by Special Resolution at the Annual General Meeting held on September 15, 2023 as per the provisions of Section 62(1)(c) of the Companies Act, 2013. The Promoters selling shares in Offer for sale have given their consents to participate in the offer vide their offer letters dated September 28, 2023 and [●]

#### 1. Share Capital History:

##### Authorized Share Capital Build-up of the Company:

Since Incorporation of our Company, the Authorized share capital has increased in the manner set forth below:

Sl. no	Date	AGM/EGM	Increase in Share Capital
1.	August 24, 2007	On Incorporation	The authorized share capital of our Company on incorporation comprised of ₹1,00,000/- consisting of 10,000 Equity shares of ₹10 each.
2	June 16, 2010	EGM	The authorized share capital of ₹1,00,000/- consisting of 10,000 Equity shares of ₹10 each was increased to ₹12,00,000/- consisting of 1,20,000 Equity shares of ₹10/- each.
3	May 26, 2011	EGM	The authorized share capital of ₹12,00,000/- consisting of 1,20,000 Equity shares of ₹10 each was increased to ₹15,00,000/- consisting of 1,50,000 Equity shares of ₹10/- each.
4	March 15, 2023	EGM	The authorized share capital of ₹15,00,000/- consisting of 1,50,000 Equity shares of ₹10 each was increased to ₹25,00,00,000/- consisting of 2,50,00,000 Equity shares of ₹10/- each.

**Our existing Share Capital has been subscribed and allotted as under:**

Date of Allotment	No. of Equity Shares allotted	Face Value (₹.)	Offer Price (₹.)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation (August 24, 2007)	10,000	10	10	Cash	Subscription to MoA <sup>1</sup>	10,000
June 26, 2010	1,07,500	10	10	Cash	Preferential Allotment <sup>2</sup>	1,17,500
May 27, 2011	11,000	10	10	Cash	Preferential Allotment <sup>3</sup>	1,28,500
March 26, 2014	21,500	10	10	Cash	Preferential Allotment <sup>4</sup>	1,50,000
July 26, 2023	1,50,00,000	10	-	Other than cash	Bonus Issue <sup>5</sup>	1,51,50,000

1. Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of ₹.10/- each fully paid at par, as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Rajeev Jain	5,000
2	Rajeev Kumar Jha	5,000
<b>Total</b>		<b>10,000</b>

2. Allotment of 1,07,500 Equity Shares was made on June 26, 2010 on preferential basis, having face value of ₹. 10 each fully paid up; the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Smt. Vijay Laxmi Poddar	1,00,000
2	Smt. Vidhika Bagri	7,500
<b>Total</b>		<b>1,07,500</b>

3. Allotment of 11,000 Equity Shares was made on May 27, 2011 on preferential basis having face value of ₹. 10 each fully paid up; the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Smt. Vijay Laxmi Poddar	6,000
2.	Smt. Vidhika Bagri	5,000
<b>Total</b>		<b>11,000</b>

4. Allotment of 21,500 Equity Shares was made on March 26, 2014 on preferential basis having face value of ₹. 10 each fully paid up; the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
3.	Anubhav Minerals Private Limited	2,000
4.	KFL Infra and Logistics Private Limited	19,500
<b>Total</b>		<b>21,500</b>

5. An Issue of Bonus Shares (100:1) was done on July 26, 2023 of 1,50,00,000 Equity Shares of face value of ₹10 each fully paid up; the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Uddhav Poddar	47,65,000
2.	Uddhav Poddar (HUF)	15,00,000
3.	Master Vedant Poddar	28,33,000
4.	Master Shiven Poddar	27,50,000
5.	Bhumika Realty Private Limited (by virtue of merger with KFL Infra and Logistics Private Limited vide order dated May 03, 2019)	29,50,000
6.	Anubhav Minerals Private Limited	2,00,000
7.	Sarita Saraogi	1,000
8.	Mayur Saraogi	1,000
<b>Total</b>		<b>1,50,00,000</b>

## 2. Equity Share Issued for consideration other than cash:

- a. Except as set out below, our Company has not issued any Equity Shares for consideration other than cash:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Consideration
July 26, 2023	1,50,00,000	10	Not Applicable	Bonus Issue

3. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
4. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.
5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
6. Our Company has not issued any Equity Shares during a period of one year preceding the date of the RHP at a price lower than the Issue price. However, our Company has issued Bonus Shares during a period of one year preceding the date of the RHP:

Date of Allotment	No. of Shares Allotted	Face Value	Type of Issue
July 26, 2023	1,50,00,000	10	Bonus Issue

## 7. Our Shareholding Pattern:

The shareholding pattern of our Company in accordance with Regulation 31 of SEBI(LODR) Regulations, 2015, as on September 30, 2022:

**i. Summary of Shareholding Pattern:**

Category (I)	Category of shareholder (II)	Nos of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total as a % of (A+B+C)				No . (a)	As a % of total shares held (b)	No . (a)	As a % of total shares held (b)	
(A)	Promoters & Promoter Group	6	15147980	0	0	15147980	99.99	15147980	0	0	99.99	0	0	0	0	0	0	1,51,47,980
(B)	Public	2	2020	0	0	2020	0.01	2020	0	0	0.01	0	0	0	0	0	0	2020
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
	TOTAL	8	15150000	0	0	15150000	100	15150000	0	0	100.00	0	0			N.A	N.A	15150000

**8. The shareholding pattern before and after the Offer:**

S r. N o	Name of share holder	Pre-offer		Post Offer	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoters					
1.	Uddhav Poddar	48,12,650	31.77	44,37,650	23.95
2	Uddhav Poddar (HUF)	15,15,000	10.00	15,15,000	8.18
3	Bhumika Realty Private Limited	29,79,500	19.67	18,54,500	10.01
	TOTAL (A)	93,07,150	61.44	78,07,150	42.13
(ii) Promoter Group					
4.	Master Vedant Poddar	28,61,330	18.89	28,61,330	15.44

5.	Master Shiven Poddar	27,77,500	18.33	27,77,500	14.99
6.	Anubhav Minerals Private Limited	2,02,000	1.33	2,02,000	1.09
	<b>TOTAL (B)</b>	<b>58,40,830</b>	<b>38.55</b>	<b>58,40,830</b>	<b>31.52</b>
	<b>TOTAL (A+B)</b>	<b>1,51,47,980</b>	<b>99.99</b>	<b>1,36,47,980</b>	<b>73.65</b>
<b>(iii) Public</b>					
7.	Sarita Saraogi*	1,010	0.01	1,010	0.01
8.	Mayur Saraogi*	1,010	0.01	1,010	0.01
	IPO	-	-	48,80,000	26.34
	<b>TOTAL (C)</b>	<b>2,020</b>	<b>0.01</b>	<b>48,82,020</b>	<b>26.34</b>
	<b>TOTAL (A+B+C)</b>	<b>1,51,50,000</b>	<b>100.00</b>	<b>1,85,30,000</b>	<b>100.00</b>

*\*The two public shareholders in the Company namely, Sarita Saraogi and Mayur Saraogi were not directly or indirectly connected to the Issuer Company/promoters/directors/promoter group members/each other.*

## 9. Details of Major Shareholders

- i. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the RHP:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Uddhav Poddar	48,12,650	31.77
2.	Uddhav Poddar (HUF)	15,15,000	10.00
3.	Master Vedant Poddar	28,61,330	18.89
4.	Master Shiven Poddar	27,77,500	18.33
5.	Bhumika Realty Private Limited	29,79,500	19.67
6.	Anubhav Minerals Private Limited	2,02,000	1.33
	<b>TOTAL</b>	<b>1,51,47,980</b>	<b>99.99</b>

- ii. List of Shareholder holding 1.00% or more of the paid-up capital of the company ten days prior to the date of the RHP:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Uddhav Poddar	48,12,650	31.77
2.	Uddhav Poddar (HUF)	15,15,000	10.00
3.	Master Vedant Poddar	28,61,330	18.89
4.	Master Shiven Poddar	27,77,500	18.33
5.	Bhumika Realty Private Limited	29,79,500	19.67
6.	Anubhav Minerals Private Limited	2,02,000	1.33
	<b>TOTAL</b>	<b>1,51,47,980</b>	<b>99.99</b>

- iii. List of Shareholder holding 1.00% or more of the paid-up capital of the company one year prior to the date of the RHP:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Uddhav Poddar	47,650	31.77
2.	Uddhav Poddar (HUF)	15,000	10.00
3.	Master Vedant Poddar	28,330	18.89
4.	Master Shiven Poddar	27,500	18.33
5.	Bhumika Realty Private Limited	29,500	19.67
6.	Anubhav Minerals Private Limited	2,000	1.33
	<b>TOTAL</b>	<b>1,49,980</b>	<b>99.99</b>

- iv. List of Shareholder holding 1.00% or more of the paid-up capital of the company two years prior to the date of the RHP:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Uddhav Poddar	47,650	31.77
2.	Uddhav Poddar (HUF)	15,000	10.00
3.	Master Vedant Poddar	22,500	15.00
4.	Master Shiven Poddar	22,500	15.00
5.	Bhumika Realty Private Limited	29,500	19.67
6.	Anubhav Minerals Private Limited	2,000	1.33

7.	Vidhika Poddar	10,830	7.22
<b>TOTAL</b>		<b>1,49,980</b>	<b>99.99</b>

10. As on date of this RHP, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the RHP until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

## 12. Share Capital Build-up of our Promoters

Our Promoters had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters.

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹.)	Offer/ Transfer Price
<b>UDDHAV PODDAR</b>						
February 09, 2016	Transfer	Gift	25000	25000	10	NIL
February 09, 2016	Transfer	Gift	10000	35000	10	NIL
February 09, 2016	Transfer	Gift	10100	45100	10	NIL
November 01, 2018	Transfer	Gift	2550	47650	10	NIL
July 26, 2023	Bonus Issue	Other than Cash	4765000	4812650	10	-
	<b>TOTAL (A)</b>			<b>4812650</b>		

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹.)	Offer/ Transfer Price
<b>UDDHAV PODDAR (HUF)</b>						
October 19, 2011	Transfer	Gift	15000	15000	10	NIL
July 26, 2023	Bonus Issue	Other than Cash	1500000	1500000	10	-
	<b>TOTAL (A)</b>		<b>1515000</b>	<b>1515000</b>		

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹.)	Offer/ Transfer Price
<b>BHUMIKA REALTY PRIVATE LIMITED</b>						
October 10, 2011	Transfer	Cash	5000	5000	10	50000
October 10, 2011	Transfer	Cash	5000	10000	10	50000
March 26, 2014	Preferential Allotment	Cash	19500	29500	10	195000
July 26, 2023	Bonus Issue	Other than Cash	2950000	2950000	10	-
	<b>TOTAL (A)</b>		<b>2979500</b>	<b>2979500</b>		295000

Note: All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment and none of the Equity Shares held by our Promoters are pledged.

13. None of our Promoters, Promoter Group, Directors and their relatives have purchased or sold the equity share of our Company during the past six months immediately preceding the date of filing of RHP.

14. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the RHP.

**15. Lock-in of Promoters' Securities:**

**a. Equity Shares of our Promoters locked-in for three years**

As per clause (a) Regulation 238 of the SEBI (ICDR) Regulations and in terms of the aforesaid table, an aggregate of 20.00 % of the post-Offer Equity Share Capital of our Company i.e. upto 8,87,530 equity shares shall be locked in by our Promoters for three years in the following manner:

Sr. No.	Name of the Promoter	No of Shares
1.	Uddhav Poddar	2,95,844
2.	Uddhav Poddar (HUF)	2,95,843
3.	Bhumika Realty Private Limited	2,95,843
	<b>TOTAL</b>	<b>8,87,530</b>

The lock-in shall commence from the date of allotment in the proposed public offer and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public offer whichever is later. ("Minimum Promoters' contribution").

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the person defined as Promoters under the SEBI ICDR Regulations. Our Company has obtained written consent from our Promoters for the lock-in of upto 8,87,530 Equity Shares for three years. The Equity Shares that are being locked-in are not ineligible for minimum Promoters' contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this connection, we confirm the following.

- The equity shares offered for minimum 20% Promoters' contribution have not been acquired in the preceding three years before the date of RHP for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction nor resulted from a bonus issue by utilisation 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 Promoters' Contribution does not include Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Offer;
- The minimum Promoters' Contribution does not include Equity shares pledged with any creditor.

**b. Equity Shares of our Promoters locked-in for one year**

In addition to 20.00% i.e. upto 8,87,530 equity shares the post-Offer shareholding of our Company which shall be locked-in for three years as the minimum Promoters' contribution, the balance Pre-Offer Paid-up Equity Share Capital of our Promoters Uddhav Poddar, Uddhav Poddar (HUF) and Bhumika Realty Private Limited, to an extent of upto 41,41,806 Equity Shares (Excluding upto 3,75,000 Equity shares offer for sale), 12,19,157 and 15,58,657 (Excluding upto 11,25,000 Equity shares offer for sale) respectively would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering as provided in clause (b) of Regulations 238 of SEBI (ICDR) Regulations, 2018.

**16. Lock-in of securities held by persons other than our Promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-offer capital held by the Persons other than our Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, upto 92,12,350 Equity shares held by the Persons other than our Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**17. Transferability of Locked-in securities:**

- a. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters which are locked-in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, 2018, may be transferred to another Promoters or any person of the promoter group or a new Promoters or a person in control of the issuer

company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

- b. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by persons other than the Promoters, prior to the Offer, may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 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.

#### **18. Other requirements in respect of 'lock-in'**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the offer and the pledge of specified securities is one of the terms of sanction of the loan;
  - If the specified securities are locked-in in terms of clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, and the pledge of specified securities is one of the terms of sanction of the loan.
19. In terms of Regulations 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that if the securities issued are in dematerialized form, the lock-in is recorded by the depository.
20. Our Company, our Directors and the Book Running Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
21. All the Equity Shares of our Company are fully paid-up equity shares as on the date of the RHP. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up equity shares.
22. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the RHP.
23. 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 BRLM and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
24. As per RBI regulations, OCBs are not allowed to participate in this Offer.
25. Our Company has not raised any bridge loan against the proceeds of this Offer. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
27. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
28. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
29. Our Promoters and the members of our Promoter Group will not participate in this Offer.
30. As on date of this RHP, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Offer.



31. Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of registering Red Herring Prospectus with the Registrar of Companies and the Offer Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
32. None of our Key Managerial Personnel, other than our Chairman and Managing Director, who is our Promoters, holds any Equity Shares in our Company.
33. As on date of this RHP, our Company has 8 Shareholders.
- 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 EMERGE platform of NSE (in this case currently the minimum trading lot size is [\*] equity shares; however, the same may be changed by the EMERGE platform of NSE 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 Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer 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 script 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:** EMERGE portal of NSE 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 Exchange 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 Offer size and as follows:

Offer Size	Buy quote exemption threshold including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer 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:

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

## OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of upto 33,80,000 Equity Shares of ₹10/- each at a price of ₹. [●] per Equity Share (the "Offer Price"), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh by our Company and Offer for Sale of upto 15,00,000 Equity Shares of ₹10/- each at a price of ₹. [●] per Equity Share (the "Offer Price"), including a share premium of ₹. [●] per equity share aggregating to ₹. [●] Lakh by our Promoters.

### Net Proceeds

The details of the proceeds of the Offer are set forth in the table below:

(₹ in lakh)

Particulars	Amount
Gross Proceeds of the Offer	3,660.00
Less: Offer Expenses*	[●]
Net Proceeds**	[●]

\*For details see "Offer Related Expenses" below on page 72.

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

### Requirements of Funds

Our Company proposes to utilise the Net Proceeds for the following:

- Repayment of Unsecured Loan
- Funding of working capital requirements of our Company;
- General Corporate Purposes.

(Collectively, referred to herein as the "Objects")

The main objects clause and the objects incidental and ancillary to the main objects as set out in the Memorandum of Association our Company enable us: (i) to undertake our existing business activities; (ii) to undertake the activities proposed to be funded from the Net Proceeds (including the activities for which the funds earmarked towards general corporate purposes shall be used); (iii) to undertake the activities for which the relevant loans were raised, which are proposed to be prepaid or repaid from the Net Proceeds.

Further, our Company expects to receive the benefits of listing of the Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE") including the enhancement of our Company's visibility and brand image among our existing and potential customers as well as vendors and creation of a public market for our Equity Shares in India.

### Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the manner set forth below:

(₹ in lakh)

Particulars	Amount
Repayment of Unsecured Loans	171.00
Funding of working capital requirements of our Company	1,726.37

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

The requirement and deployment of funds as indicated above are based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, including interest rates and other charges, and the financing and other agreements entered into by our Company, and have not been appraised by any bank or financial institution. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations and configuration of the project, increase in input costs of construction materials and labour costs, logistics and transport costs incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors 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 our management, subject to compliance with applicable law.

Moreover, if the actual utilisation towards any of 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 from the Offer in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated amount of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, general corporate purposes and seeking additional debt from existing and 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 purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details of factors that may affect these estimates, see "Risk Factors" on page 28

### Means of Finance

We propose to fund the requirements of the Objects detailed above entirely from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer and existing identifiable internal accruals as required under Regulation 230(1)(e) the SEBI ICDR Regulations.

### Details of the Objects

The details in relation to objects of the Offer are set forth herein below:

Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, inter alia, unsecured loans, term loans and working capital facilities. For further details, please refer "Financial Indebtedness" on page 171.

As at September 30, 2023, our total outstanding borrowings amounted to ₹ 6,040.07 lakh. Our Company proposes to utilise an estimated amount of up to ₹ 171.00 lakh from the Net Proceeds towards pre- payment or scheduled repayment of all or a portion of certain unsecured loans availed by our Company.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details of Unsecured loans and facilities as at September 30, 2023, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

Sr. No	Name of the lender	Date of sanction/ availing such loan	Outstanding Unsecured loans as on September 30, 2023 (₹ in lakh)	*Purpose of availing unsecured loans	Interest rate (%) p.a.	Repayment Terms
1.	Anubhav Minerals Private Limited	June 01, 2021	9.79	Business Purpose for Working Capital Use.	7% p.a. payable yearly	Repayable on demand
2.	Bhumika Realty Private Limited	June 01, 2021	20.70			
3.	Uddhav Properties Limited	June 01, 2021	107.99			
4.	Mayur Saraogi	January 16, 2018	31.64			
	<b>Total</b>		<b>170.12</b>			

\*Certified by the Statutory Auditor, by way of their certificate dated December 21, 2023.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate dated September 28, 2023 for the loans to be prepaid by our Company.

For further details in relation to our borrowings, please see "Financial Indebtedness" on page 171.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 171 lakh.

If the actual utilization towards the above object is lower than the proposed deployment, such balance will be used either for funding other objects as mentioned above or towards 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 from the Offer in accordance with the SEBI ICDR Regulations.

### Funding of working capital requirements of our Company

We propose to utilise 1,726.37 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2024.

We have significant working capital requirements and we fund a majority of our working capital requirements in the ordinary course of business from our existing equity, internal accruals and financing facilities from various banks, financial institutions and non-banking financial companies. As on September 30, 2023, the outstanding amount under the working capital facilities of our Company was ₹ 1,226.85 Lakh. For details, please see "Financial Indebtedness" beginning on page 171.

In light of the increasing orders, we require working capital to finance the purchase of raw materials and have higher levels of inventories of raw materials before payment is received from customers.

Further, the funding of the incremental working capital requirements of our Company will help to a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

### Existing and Estimated Working Capital Requirement

The details of our Company's working capital requirement for the Fiscal 2021, 2022 & 2023, derived from the restated consolidated financial statements, and the sources of funding of the same and estimated working capital requirements for Fiscal 2024 and proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakh)

S. No.	Particulars	As at March 31, 2021 (Actual)	As at March 31, 2022 (Actual)	As at March 31, 2023 (Actual)	As at June 30, 2023 (Actual)	As at March 31, 2024 (Estimated)
1	Current Assets					
a)	Inventories	-	379.60	2,464.43	2,340.72	3,957.32
b)	Trade Receivables	367.84	1,024.63	3,096.78	4,515.41	3,716.14
c)	Loans & Advances	901.58	914.76	3,280.64	3,905.26	3,280.64
d)	Cash and Cash Equivalent	1,769.38	1,061.13	35.46	29.68	95.05
e)	Other Current Assets	3.21	332.16	2,095.93	2,958.52	2,305.52
	<b>Total Current Assets (A)</b>	<b>3,042.00</b>	<b>3,712.28</b>	<b>10,973.24</b>	<b>13,749.59</b>	<b>13,354.67</b>
2	Current Liabilities					
a)	Trade Payables	252.26	1,050.80	5,272.19	6,970.98	5,217.75
b)	Other Current Liabilities	275.96	323.16	1,700.04	1,743.87	1,360.03

c)	Short-term provisions	117.39	148.13	257.37	331.33	259.94
d)	Short-term Borrowings	761.00	1,234.34	1,542.72	1,589.44	1,558.15
	<b>Total Current Liabilities (B)</b>	<b>1,406.60</b>	<b>2,756.43</b>	<b>8,772.32</b>	<b>10,635.61</b>	<b>8,395.88</b>
<b>3</b>	<b>Net Working Capital Requirements (A-B)</b>	<b>1,635.40</b>	<b>955.85</b>	<b>2,200.92</b>	<b>3,113.97</b>	<b>4,958.79</b>
4	Non Current Investments	231.22	2,781.59	3,096.62	3,092.77	3,096.62
	<b>Total Funding Requirement</b>	<b>1,866.62</b>	<b>3,737.44</b>	<b>5,297.54</b>	<b>6,206.74</b>	<b>8,055.41</b>
5	Funding Pattern					
a)	Current Borrowings from Banks, Financial Institutions and Others, Internal Accruals and Equity	1,017.02	2,476.88	3,213.35	3,899.07	3,043.35
b)	Share Capital	15.00	15.00	15.00	15.00	15.00
c)	Reserves and Surplus	834.60	1,211.62	1,918.64	2,133.29	3,118.64
d)	Other Long term liabilities	-	-	95.08	95.08	96.03
e)	Long-term provisions	-	33.93	55.47	64.30	56.02
c)	<b>Proceeds from the Offer</b>	-	-	-	-	<b>1,726.37</b>

#### Holding Period (Number of Days)

The table below contains the details of holding period (in number of days) Fiscal 2023, Fiscal 2022 and Fiscal 2021 and the estimated holding period (in days) for the Fiscal 2024 and the assumptions based on which the working plan projections have been made and approved by our Board of Directors:

Particulars	Number of days for the year ended			
	March 31, 2021 (Actual)	March 31, 2022 (Actual)	March 31, 2023 (Actual)	March 31, 2024 (Estimated)
<b>Current Assets</b>				
Trade Receivables	40	58	18	13
<b>Current Liabilities</b>				
Trade Payables	42	84	34	19

The table below sets forth the key assumptions for holding period levels:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1.	Trade Receivables	Our Company gives credit facility to its customers in the normal course of business. Our Company had maintained trade receivable days of 40 days for Fiscal 2021, 58 days for Fiscal 2022, 18 days for Fiscal 2023 and 28 days for June 2023. Going forward, as the business cycle will improve and to build a long-term sustainable business relationship with customers and to add new customers, we are envisaging to support them with credit terms of 13 days in the Fiscal 2024.

<b>Current Liabilities</b>		
1.	Trade Payables	Our Company receive the credit from Suppliers / Vendors in the normal course of business. The Company had maintained trade payable days of 42 days for Fiscal 2021, 84 days for Fiscal 2022, 34 days for Fiscal 2023 and 47 days for June 2023. It is projected to reduce the trade payable days projected to be 19 days for the Fiscal 2024.

#### **Fluctuations in the working capital gap in last 3 years are explained as under:**

Our Company was originally operating only into logistics business and only in January, 2022, it has diversified into e-commerce business which is primarily a trading activity wherein the Company is involved in buying and selling of electronic products on one of online e-commerce trading platform.

For reference in FY 2022, our revenue from logistics was Rs.3,765.63 Lakhs and our revenue from e-commerce was Rs.2,195.62 Lakhs (started only in January, 2022). However, in FY 2023 our revenue from logistics has risen by 37.92% to Rs. 5,193.82 where as our revenue from the e-commerce business has increased by 2508% to Rs. 57,264.13 Lakhs. It may be noted that the increase in the revenue from e-commerce appears to be sharp because in the FY 2022, the business was in its emerging stage and the figures were only for the last quarter of the financial year and in the next year the figures are for all the four quarters and the business had also stabilized by then.

The total revenue of the Company has increased from Rs.6358.92 Lakhs in FY 2022 to Rs. 63216.41 Lakhs in FY 2023 because the revenue from e-commerce has increased from Rs.2195.62 Lakhs to Rs.57264.13 Lakhs.

As major growth is because of e-commerce, where company purchases goods from various Authorized Distributors on credit terms which may differ from case to case, while Sales made by the company on the e-commerce Platform is on prepaid or cash on delivery basis and remitted to the company by e-commerce platform in around two weeks time from date of collection. Based on above, the Company is mostly able to manage the cash flow due to the leverage available due to the credit terms from the respective vendors. In case of shortfall of funds, the Company uses the working capital limits availed from the lenders. Thus, the working capital gap in the past three years is not in line with the increase in revenues.

#### **Increased working capital gap for the projected period:**

Increased working capital requirement in projected FY24 is due to increase in business in FY24, till date. E-commerce business has sales of Rs 85,239.33 lakhs and logistic business is Rs. 2,529.71 lakhs till 30th September, 2023. Increased working capital projections are to meet this exponential growth in sales.

In e-commerce business, there is no order backlog. Orders are dispatched either on sale day or by next day.

Accordingly working capital requirement has not increased in proportion to growth in sales / business.

#### **Reduction in working capital requirements during FY22 over FY21**

During FY 21, company was having cash and cash equivalent of Rs 1,769.38 Lakhs, which was reduced to Rs 1061.13 Lakhs as of 31st March, 22, since the company has utilised Rs 798.25 Lakhs of its cash and cash equivalent and utilised the same in starting the second vertical "e-commerce" and third vertical "Commercial Real Estate for rental income". Both of vertical started during financial year FY22 only.

For third vertical i.e. Commercial Real Estate for rental income, the company also took certain additional loans during financial year FY22, which has increased current liabilities to large extent. Due to the above two factors, there was a reduction in the working capital requirement during FY22 over FY21.

#### **General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] lakh, towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such amount not exceeding 25% of the Gross Proceeds of the Offer, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, meeting ongoing general corporate contingencies, strengthening marketing capabilities and brand building exercises, enhancing our technology related infrastructure, strategic initiatives and acquisition and/or funding any shortfall in any of the abovementioned objects. The quantum of utilisation of funds towards each of the above purposes will be



determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

### Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] lakh. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLM, Legal Advisor to the Offer, Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to Members of the Syndicate, Registered Brokers, CRTAs, SCSBs and CDPs, printing and stationery expenses, advertising and marketing expenses, fee payable to consultants and auditors for deliverables in connection with the Offer and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange.

All Offer expenses will be borne, upon successful completion of the Offer, by our Company in accordance with applicable law.

The break-up of the estimated Offer expenses are as follows:

(₹ in lakh)			
Particulars	Estimated Expenses (1)	As a % of the total estimated Expenses(1)	As a % of the total Offer Size(1)
Fees payable to the BRLM and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]%	[●]%
Selling Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer and fee payable to the Sponsor Bank for Applications made by RIIs. Brokerage, underwriting commission and selling commission and applying charges for Members of the Syndicate, Registered Brokers, CRTAs and CDPs ((2)(3)(4)(5)(6)	[●]	[●]%	[●]%
Fees payable to the Registrar of the Offer	[●]	[●]%	[●]%
Fees payable to the other advisors to the Offer/ Company	[●]	[●]%	[●]%
Other Expenses			
a. Listing fees, SEBI fees, Stock Exchange processing fees, ASBA software fees, and other regulatory expenses	[●]	[●]%	[●]%
b. Printing and distribution of Offer Stationery	[●]	[●]%	[●]%
c. Advertising and Marketing Expenses	[●]	[●]%	[●]%
d. Fees payable to the Legal Advisor to the Offer	[●]	[●]%	[●]%
e. Miscellaneous	[●]	[●]%	[●]%
Total estimated Offer expenses	[●]	[●]%	[●]%

\* Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change. To be determined on finalization of the Offer Price and updated in the Prospectus prior to filing with the RoC.

**ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them. The SCSBs would be entitled to processing fees of Rs.10/- (plus GST), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.



**SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.

**Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹8/- (plus GST) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing. 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 and other applicable laws

The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant registered broker and other intermediaries. Any expenses incurred towards IPO related expenses will be reimbursed/recouped out of the gross proceeds of the Issue.

ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.

2. Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted

3. Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted

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

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

Further, application charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by UPI Applicants using the UPI Mechanism). The terminal from which the Application has been uploaded will be taken into account in order to determine the total application charges. No additional application charges shall be payable to SCSBs on the Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Applicants, and Non-Institutional Applicants, which are directly procured by the Registered Brokers and submitted to SCSBs for processing, shall be ₹ [●] per valid Application Form (plus applicable goods and services tax)

No additional uploading/processing charges shall be payable by our Company to the SCSBs on the Applications Forms directly procured by them.

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 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs/LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB.

### Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits only with one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### Bridge Financing Facilities

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

### **Monitoring of Utilisation of Funds**

Since the Net Proceeds do not exceed ₹ 10,000 lakh, in terms of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Offer. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Offer. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half-yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Offer from the objects of the Offer as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Offer from the objects of the Offer as stated above.

### **Variation in Objects of the Offer**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Offer unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Tamil, the vernacular language of the jurisdiction where our Registered Office is situated in accordance with the Companies Act, 2013 and applicable rules. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price and in such manner, in accordance with Section 13(8) and other applicable provisions of the Companies Act, our Articles of Association, and the SEBI ICDR Regulations.

### **Appraising Entity**

None of the objects of the Offer for which the Net Proceeds will be utilized have been appraised by any bank or financial institution or other independent agency.

### **Other Confirmations**

No part of the Net Proceeds will be utilized by our Company as consideration to the Promoters, members of the Promoter Group, the Directors, our Group Company(ies), our Key Managerial Personnel or our Senior Management Personnel. Our Company has not entered into or is not planning to enter into any arrangement / agreements with the Promoters, members of the Promoter Group, the Directors, our Group Company(ies), our Key Managerial Personnel or our Senior Management Personnel in relation to the utilization of the Net Proceeds of the Offer. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as set out above.

## BASIS FOR OFFER PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue floor Price is ₹71/- which is 7.10 times of the face value of Equity Shares and the Issue Cap Price is ₹75/- which is 7.50 times of the face value of Equity Shares. Investors should refer to “Risk Factors”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 29, 111, 198 and 254 respectively, to have an informed view before making an investment decision. Investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Restated Financial Information*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Other Financial Information*” on pages 89, 28, 142, 178 and 170, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We believe that our business strengths listed below enable us to remain competitive in the business:

- Integrated, end-to-end logistics services and solutions
- Our existing Network and Storage Capabilities
- Strong knowledge and expertise of our promoters
- Industry experience with strong execution capabilities
- Strong Financial Performance.

For more details on quantitative factors, please refer to chapter “*Our Business- Competitive Strengths*” on page 89.

### Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Consolidated Financial Statements. For more details, please refer to “*Restated Financial Information*” on page 142.

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

#### 1. Basic and Diluted Earnings per Share ("EPS")

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2023	470.58	470.58	3
March 31, 2022	250.87	250.87	2
March 31, 2021	199.79	199.79	1
<b>Weighted Average</b>	<b>352.21</b>	<b>352.21</b>	<b>6</b>
<b>June 30, 2023</b>	<b>142.91</b>	<b>142.91</b>	

#### Notes:

- (1) Earnings per Share are in accordance with Accounting Standard –0 - Earnings per Share, notified under the Companies (Accounting Standards) Rules, 2006, as amended
- (2) Basic Earnings per Equity Share (₹) = Profit for the year, as restated divided by Weighted average number of equity shares outstanding during the period/year
- (3) Diluted Earnings per Equity Share (₹) = Profit for the year, as restated divided by Weighted average number of diluted equity shares outstanding during the period/year
- (4) Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights
- (5) The figures disclosed above are based on the Restated Financial Statements.

#### 2. Price to Earning ("P/E") Ratio in relation to the Offer Price ₹ [●] per Equity Share:

Particulars	P/E Ratio (number of times)*
Based on Basic and Diluted EPS of ₹470.58 for Fiscal 2023	[●]
Based on Weighted Average EPS of ₹ 352.21	[●]

\*To be updated after finalization of the Offer Price.

### Industry Peer Group P/E ratio

There are no like to like comparable listed companies in India that are engaged in all aspects of the business that we operate. Accordingly, it is not possible to provide an industry comparison in relation to our Company

### 3. Return on Networth ("RoNW")

Fiscal Year ended	RoNW (%)	Weight
March 31, 2023	36.50%	3
March 31, 2022	30.68%	2
March 31, 2021	35.27%	1
<b>Weighted Average</b>	<b>34.36%</b>	
<b>June 30, 2023*</b>	<b>39.91%</b>	

\*Figure provided under the relevant stub period ended June 30, 2023 have been annualized

#### Notes:

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
- (2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the year.
- (3) Net worth = Equity Share capital plus Reserves and Surplus

### 4. Net Asset Value per Equity Share (Face Value of ₹ 10/- each)

Particulars	NAV per Equity Share (₹)
As on March 31, 2023	1289.09
As on March 31, 2022	817.75
As on March 31, 2021	566.40
<b>As on June 30, 2023</b>	<b>1432.19</b>
<b>After the Completion of the Offer:</b>	
- At Offer Price	[●]

**Notes:** Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of the /year as per Restated Financial Statements.

### 5. Comparison with Listed Industry Peers

There are no like to like comparable listed companies in India that are engaged in all aspects of the business that we operate. Accordingly, it is not possible to provide an industry comparison in relation to our Company

### 6. Financial Key Performance Indicators ("KPIs")

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 various verticals in comparison to our listed peers. The table below sets forth the details of our KPIs that our Company considers have a bearing for arriving at the basis for Offer Price.

		(₹ in lakh except percentages and ratios)			
Key Performance Indicators		June 30, 2023	March 31, 2023 <sup>#</sup>	March 31, 2022 <sup>#</sup>	March 31, 2021 <sup>#</sup>
Revenue from Operations		56,837.41	62,462.35	6,028.75	3,140.32
Total Revenue		57,053.16	63,216.41	6,358.92	3,328.40
Gross Profit <sup>(1)</sup>		3,235.55	6,857.87	1,842.42	1,166.83
Gross Margin <sup>(2)</sup>		5.67%	10.85%	28.97%	35.06%
EBITDA <sup>(3)</sup>		425.14	1387.57	832.65	542.63
EBITDA Margin <sup>(5)</sup>		0.75%	2.19%	13.09%	16.30%
Profit After Tax for the Year ("PAT")		214.65	707.02	377.02	300.96
PAT Margin <sup>(6)</sup>		0.38%	1.12%	5.93%	9.04%
ROE <sup>(7)*</sup>		5,723.99%*	4713.49%	2513.48%	2006.42%
ROCE <sup>(4)(8)*</sup>		78.06%*	70.48%	65.28%	60.07%
Net Debt/ EBITDA <sup>(9)</sup>		3.21*	3.40	3.18	0.22

<sup>#</sup>As certified by the Statutory Auditor vide their certificate dated December 22, 2023

<sup>\*</sup>Ratio for the period June 30, 2023 has been annualised.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated December 22, 2023.

#### Explanation for the Key Performance Indicators

1. Gross Profit is calculated as Revenues from operations less cost of goods sold, whereas cost of goods sold is calculated as sum of opening balance of inventory for the period/year plus cost of material consumed and construction expenses during the period/year less closing balance of inventory for the period/year.
2. Gross margin is calculated as Gross Profit as a percentage of Revenue from operations
3. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.
4. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
5. EBITDA Margin is calculated as EBITDA as a percentage of Total Revenue.
6. PAT Margin is calculated as profit after tax for the year as a percentage of Total Revenue.
7. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.
8. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total liabilities less goodwill, other intangible assets, Right-of-use assets and Deferred tax assets (Net), if any, plus total borrowings (including lease liabilities) as at the end of the period/year.
9. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges, or until the utilization of Offer Proceeds as per the disclosure made in the section "**Objects of the Offer**" starting on page 67 of this Red Herring Prospectus, whichever is later, or for such other period as may be required under the SEBI ICDR Regulations.

#### Comparison the Key Performance Indicators with our listed peers:

There are no like to like comparable listed companies in India that are engaged in all aspects of the business that we operate. Accordingly, it is not possible to provide an industry comparison in relation to our Company

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakh)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Gross Profit	Gross Profit provides information regarding operational efficiency of the business.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the operational profitability and financial performance of our business.
EBITDA (₹ in Lakh)	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.
Profit After Tax (₹ in Lakh)	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.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.

## WEIGHTED AVERAGE COST OF ACQUISITION:

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

There have been no issuance of Equity Shares, excluding shares issued as bonus shares, 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)), 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 shares (equity / convertible securities).**

There have been no secondary sale / acquisitions of Equity Shares or convertible securities, 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 Red Herring Prospectus, 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) **Price per share based on the last five primary or secondary transactions;**

Since there are no transactions to report to under (a) or (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s), not older than 3 years prior to the date of this Red Herring Prospectus, irrespective of the size of transactions is not required, are not applicable.

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

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (₹ 71/-)	Cap Price (₹ 75/-)
Weighted average cost of acquisition of primary issuances	N.A*	N.A*	N.A*
Weighted average cost of acquisition for secondary transactions	N.A*	N.A*	N.A*

*\*There are no instances of primary issuances and secondary sale / acquisition during 18 months prior to the date of this Red Herring Prospectus.*

7. **Detailed explanation for Offer Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) along with our Company's key financial and operational metrics and financial ratios for Fiscal 2023, 2022 and 2021.**

[●]\*

*\*To be included on finalization of price band*

8. **Explanation for Offer Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.**

[●]\*

*\*To be included on finalization of price band*

The Offer price is [●] times of the face value of the Equity Shares. The Offer Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Manager and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "**Risk Factors**", "**Our Business**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Information**" on pages 28, 89, 178 and 142 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "**Risk Factors**" on page 28 and you may lose all or part of your investment.

## **STATEMENT OF TAX BENEFITS**

To,  
**The Board of Directors**  
**Kaushalya Logistics Limited**  
19, Community Centre, 1<sup>st</sup> & 2<sup>nd</sup> Floor,  
East of Kailash, New Delhi - 110065

And

**Khandwala Securities Limited**  
Vikas Building, Ground Floor,  
Green Street, Fort,  
Mumbai - 400023  
(as the “Book Running Lead Manager” or the “BRLM”)

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (“Equity Shares” and such initial public offer, an “IPO” or “Offer”) of Kaushalya Logistics Limited (the “Company”).**

We hereby report that the enclosed annexure prepared by the management of Kaushalya Logistics 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 fulfil.

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

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

The Company or its shareholders will continue to obtain these benefits in future; or  
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 Offer Document 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.

Yours faithfully,  
**FOR K.N.GUTGUTIA & CO.,**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No.: 304153E

(CA. B.R. GOYAL)  
Partner  
Membership No.: 012172  
Date: December 20, 2023  
Place: Delhi

## **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 in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Offer have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.*

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Red Herring Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 28 and 142, respectively of the Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 28 of the Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.*

### GLOBAL ECONOMIC OVERVIEW

The global economy is going through a slow down on account of multiple shocks. After recovering from the pandemic-induced downfall, the global economy has lost momentum on account of Russia-Ukraine war and other factors, which is slowing down growth and broadening inflationary pressures. As per International Monetary Fund (IMF) World Economic Outlook (WEO), October 2022, the global economy is experiencing a number of turbulent challenges, and the future of global economy rests critically on the successful calibration of monetary policy, the course of the war in Ukraine, and the possibility of further pandemic-related supply-side disruptions. IMF has projected global growth to decline from 6.0 per cent in 2021 to 3.2 per cent in 2022 and 2.7 per cent in 2023.

The multiple shocks being faced by the global economy is affecting various regions/countries to different degrees via impacts on global trade and output. IMF's October 2022 projections show the aggregate output of the Advanced Economies (AEs) to grow by 2.4 per cent in 2022 and 1.1 per cent in 2023, as compared to 5.2 per cent in 2021. In contrast, the aggregate output of Emerging Market and Developing Economies (EMDEs) is expected to grow by 3.7 per cent in both 2022 and 2023, as compared to 6.6 per cent in 2021.

As per further update from IMF on World Economic Outlook, Global Growth is projected to fall from and estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upwards.

(Source: Annual Report 2022-2023; Ministry of Commerce and Industry and World Economic Outlook Update, July 2023)

### INDIAN ECONOMIC OVERVIEW

#### INTRODUCTION

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up

momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

In general, global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated. The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year. Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth.

(Source: About Indian Economy Growth Rate and Statistics – a report by India Brand Equity Foundation (IBEF) and Economic Survey 2022-2023)

## **E-COMMERCE INDUSTRY**

### **INTRODUCTION**

In recent years India has experienced a boom in internet and smartphone penetration. The number of internet connections in 2021 increased significantly to 830 million, driven by the 'Digital India' programme. Out of the total internet connections, ~55% of connections were in urban areas, of which 97% of connections were wireless. The smartphone base has also increased significantly and is expected to reach 1 billion by 2026. This has helped India's digital sector and it is expected to reach US\$ 1 trillion by 2030. This rapid rise in internet users and smartphone penetration coupled with rising incomes has assisted the growth of India's e-commerce sector. India's e-commerce sector has transformed the way business is done in India and has opened various segments of commerce ranging from business-to-business (B2B), direct-to-consumer (D2C), consumer-to-consumer (C2C) and consumer-to-business (C2B). Major segments such as D2C and B2B have experienced immense growth in recent years. India's D2C market is expected to reach US\$ 60 billion by FY27. The overall e-commerce market is also expected to reach US\$ 350 billion by 2030 and will experience 21.5% growth in 2022 and reach US\$ 74.8 billion.

India which remains the fastest growing economy in the world, is projected to grow at 6.1 percent YoY in 2023. Home to the largest consumer base worldwide, the country presents an immense market opportunity for e-commerce sector. Driven by improving digital infrastructure, 312 million online shoppers, and a supporting Fintech infrastructure, ranked first worldwide, India is poised to become a global e-commerce hub. While the growth is increasingly broad based, this rapid growth is also fueling growth in the periphery industry, particularly in online content creation, reverse logistics, warehousing, and financial services.

The Government of India's stupendous effort to provide an enabling infrastructure is also helping to establish market growth within the sector.

Government-e-marketplace, an online platform for public procurement, witnessed over 160% growth YoY to attain the annual procurement of INR 1 lakh crore in 2022. The launch of Open Network for Digital Commerce (ONDC), a private non-profit company established by the Department for Promotion of Industry and Internal Trade of Government of India to develop open e-commerce, will further accelerate industry growth.

Various start-ups targeting this growth potential have now become the favorites for leading global and Indian investors. With over 16 e-commerce unicorns, the sector is attracting significant interest from Private Equity/Venture Capital (PE/VC) funds to invest in India's e-commerce and consumer internet growth story. PE/VC funds, which have helped change the landscape of the Indian economy by providing new and large investments, have invested over US\$62 billion within the sector in the previous three years.

(Source: E-Commerce and Consumer Internet Sector India Trend Book February 2023 by Ernst & Young and E-commerce Industry in India – a Report by Indian Brand Equity Foundation as updated upto September 2023)

## MARKET SIZE

India is among the most promising e-commerce market today, supported by the largest consumer base and a dense demand network. India's consumer digital economy is expected to be a US\$1 trillion in 2030, supported by rapid digitization and increasing investments. The country leads in digital payments transaction (ranked 1<sup>st</sup>), internet user base (ranked 2<sup>nd</sup>), number of online shoppers (ranked 3<sup>rd</sup>) and global investments in digital shopping (ranked 2<sup>nd</sup>) with investments of US\$22 billion in 2021.

E-commerce metrics	USA	China	India	
B2C E-commerce index 2020	12	55	71	Up from 75 in 2019
E-commerce growth 2022	9.4%	9.1%	25.5%	High growth compared to 9.7% worldwide
Retail E-commerce share of total retail sales	16.1%	46.3%	7.8%	Huge growth potential
Global Investment in Digital Shopping 2021	1 <sup>st</sup> US\$51b	3 <sup>rd</sup> US\$14b	2 <sup>nd</sup> US\$22b	Second largest digital shopping investment across the globe

India provides the largest consumer base (in terms of population) and the second largest shopper base (with 312 million online shoppers) worldwide.

Huge consumption base	USA	China	India	
Population	340m	1,425m	1,428m	Ranked 1 <sup>st</sup> in population worldwide
Online shoppers	268m	842m	312m	Second largest shopper base worldwide
% of consumers who purchase groceries online	60%	91%	78%	Ranked 6 <sup>th</sup> in the world
Gross national income per capita (PPP)	US\$70,000	US\$19,000	US\$7,000	High growth potential

A market leadership position with \$1.5 trillion UPI payments processed in 2022 and the second largest internet user base, the digital infrastructure is a key enabler for E-commerce growth in India.

Digital infrastructure metrics	USA	China	India	
Smartphone penetration	74%	64%	46%	High potential to grow
Internet users ranking 2023	3 <sup>rd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	Bharatnet to further drive growth
Digital payments transaction 2020	9 <sup>th</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	Market leader with \$.15t UPI transactions in 2022

rapid growth in Indian internet and e-commerce sector is enabled by a robust ecosystem, revolving around digitization, high data consumption, start-up growth, and increasing government support. India has the highest mobile data consumption rate in the world, supported by the fifth lowest data rates globally. A robust start-up ecosystem also ensures presence of 16 e-commerce unicorns in India, with the segment attracting PE/VC investments of US\$15.4 billion in 2022. The Indian government is also playing an active role, helping enable e-commerce payments and digital transactions. Government-e-marketplace, an online platform for public procurement in India, witnessed 160% YoY growth in 2022.

### Robust ecosystem paves the way for sustained e-commerce growth

<b>Digitization of SMEs</b>		<b>High data consumption</b>	
<b>160%</b>	Growth of Government-e-Marketplace MSME contribution to total business on GeM:57%	<b>12GB</b>	Highest mobile data consumption rate in the world (per user/ per month)
<b>194%</b>	Increase in SME revenue by adopting e-commerce	<b>6:23</b>	Average time spent online in India (Global average: 6:37)
<b>65%</b>	MSEs adopted/ upgraded their digital landscape	<b>US\$0.17</b>	Average price of 1GB data in India (Global average: \$3.12)
<b>82%</b>	Kirana stores started using new digital business tools during pandemic	<b>156 minutes</b>	Time spent per day viewing entertainment content on their smartphones
Indian consumers and businesses are increasingly shifting online, even for activities that used to be face-to-face or in-person, resulting in the merging of physical and digital worlds through e-learning,		Low data prices, along with greater time spent online, has resulted in users consuming high amount of information and entertainment via mobile devices	
<b>Robust start-up ecosystem</b>		<b>Government support to build Digital India</b>	
<b>Third</b>	Largest global ecosystem for start-ups with over 88k start-ups	<b>346m</b>	Online transactions such as E- commerce and digital payments
<b>16</b>	E-commerce unicorns in India (109 e-commerce unicorns worldwide)	<b>US\$1.5t</b>	UPI transactions in 2022
<b>US\$ 15.4b</b>	PE/ VC investments in E-commerce sector in 2022	<b>2.2b</b>	CoWin vaccinations
As Make in India expands to the technology industry, there is the rise of a burgeoning start-up ecosystem, fueled by growing investor interest and ease of doing business.		<b>5.6b</b>	DigiLocker documents issued
		The Government of India has rapidly adopted digital platforms for e-governance initiatives	

The Indian online grocery market is estimated to reach US\$ 26.93 billion in 2027 from US\$ 3.95 billion in FY21, expanding at a CAGR of 33%. India's consumer digital economy is expected to become a US\$ 1 trillion market by 2030, growing from US\$ 537.5 billion in 2020, driven by the strong adoption of online services such as e-commerce and edtech in the country.

According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025.

Propelled by rising smartphone penetration, the launch of 4G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017.

After China and the US, India had the third-largest online shopper base of 150 million in FY21 and is expected to be 350 million by FY26.

Indian consumers are increasingly adopting 5G smartphones even before the rollout of the next-gen mobile broadband technology in the country. Smartphone shipments reached 169 million in 2021 with 5G shipments registered a growth of 555% year on year 2021. Indian consumers are increasingly adopting 5G smartphones even before the rollout of the next-gen mobile broadband technology in the country. Smartphone shipments reached 150 million units and 5G smartphone shipments crossed 4 million in 2020, driven by high consumer demand post-lockdown. According to a report published by IMAI and Kantar Research, India's internet users are expected to reach 900 million by 2025 from ~622 million internet users in 2020, increasing at a CAGR of 45% until 2025.

(Source: E-Commerce and Consumer Internet Sector India Trend Book February 2023 by Ernst & Young and E-commerce Industry in India – a Report by Indian Brand Equity Foundation as updated upto September 2023)

## REAL ESTATE INDUSTRY

### INTRODUCTION

The real estate sector is one of the most globally recognized sectors. It comprises of four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth in the corporate environment and the demand for office space as well as urban and semi-urban accommodation. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It is also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

(Source: Indian Real Estate Industry – a report by India Brand Equity Foundation (IBEF))

### MARKET SIZE

By 2040, real estate market will grow to Rs. 65,000 crore (US\$ 9.30 billion) from Rs. 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

India's real estate sector saw over 1,700 acres of land deals in top eight cities in the first nine months of FY22. Foreign investments in the commercial real estate sector were at US\$ 10.3 billion from 2017-2021. As of February 2022, Developers expect demand for office spaces in SEZs to shoot up after the replacement of the existing SEZs act.

As per ICRA estimates, Indian firms are expected to raise >Rs. 3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US\$ 29 billion to date.

The office market in the top eight cities recorded transactions of 22.2 msf from July 2020 to December 2020, whereas new completions were recorded at 17.2 msf in the same period. In terms of share of sectoral occupiers, Information Technology (IT/ITeS) sector dominated with a 41% share in the second half of 2020, followed by BSFI and Manufacturing sectors with 16% each, while Other Services and Co-working sectors recorded 17% and 10%, respectively.

Around 40 million square feet were delivered in India in 2021. It is expected that the country will have a 40% market share in the next 2-3 years. India is expected to deliver 46 million square feet in 2022.

According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025.

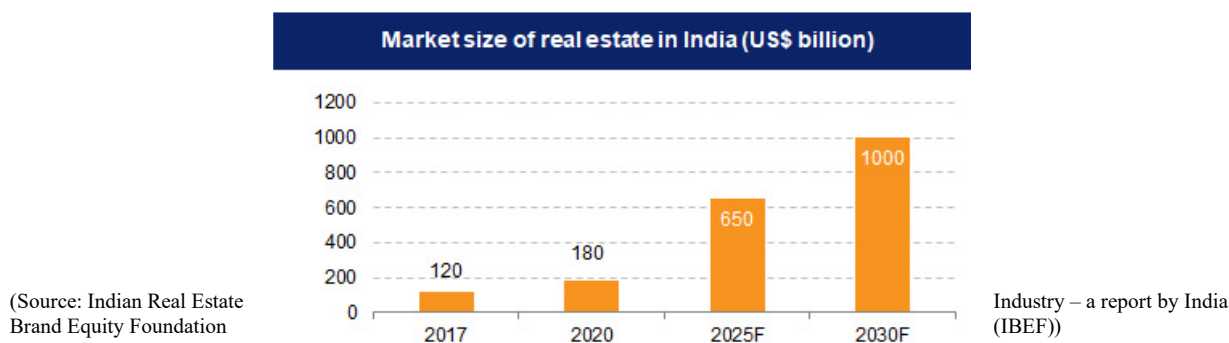
In 2020, the manufacturing sector accounted for 24% of office space leasing at 5.7 million square feet. SMEs and electronic component manufacturers leased the most between Pune, Chennai and Delhi NCR, followed by auto sector leasing in Chennai, Ahmedabad and Pune. The 3PL, e-commerce and retail segments accounted for 34%, 26% and 9% of office space leases, respectively. Of the total PE investments in real estate in Q4 FY21, the office segment attracted 71% share, followed by retail at 15% and residential and warehousing with 7% each.

In 2022, office absorption in the top seven cities stood at 38.25 million Sq. ft.

In the third quarter of 2021 (between July 2021-September 2021), new housing supply stood at ~65,211 units, increased by 228% YoY across the top eight cities compared with ~19,865 units launched in the third quarter of 2020.

In 2021-22, the commercial space is expected to record increasing investments. For instance, in October 2021, Chintels Group announced to invest Rs. 400 crore (US\$ 53.47 million) to build a new commercial project in Gurugram, covering a 9.28 lakh square feet area.

According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.



## WAREHOUSING AND LOGISTICS SECTOR IN INDIA

### OVERVIEW OF THE LOGISTICS INDUSTRY

Logistics is of critical importance for both business and the economy. A robust and efficient logistics sector of a country indicates an efficient forward and reverse of goods and services, which ultimately translates to a fast-paces growth in economy. According to a recent EY report ‘India@100: realizing the potential of a US\$26t economy’, India is projected to grow to US\$ 26t by FY48. India’s transportation and logistics sector can act as the backbone to support this fast-paces growth, which the country is poised to achieve in the next 25 years. India’s freight movement is heavily skewed toward road transportation, which moves 66% of cargo (in ton-km). This is followed by rail (31, shipping (3%) and air (1%). The sector continues to witness unevenness in freight transportation by mode and is working toward solving this impediment.

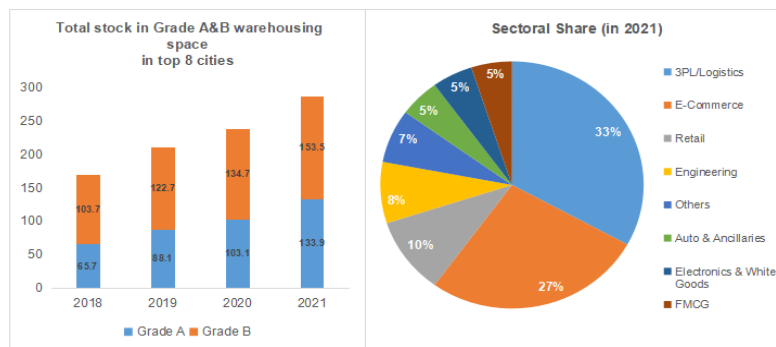
Buoyed by the challenges of the pandemic and the rising e-commerce activity, the logistics and warehousing sector in India has seen a rapid transformation. Evolving business needs and altering consumer behaviour has led to a series of technological advancements, investments, newer business formats, further driven by favourable government support. The ensuing focus towards speed and convenience has driven consumers towards online shopping, while on the other hand, the commercial and office segments have witnessed mutations in the form of flexible office space and smaller formats closer to customer locations. Given the pace in demand from across the industries, the sector may well be set for strong growth in the next few years.

The Indian logistics industry is growing, due to a flourishing e-commerce market and technological advancement. The logistics sector in India is predicted to account for 14.4% of the GDP. The industry has progressed from a transportation and storage-focused activity to a specialised function that now encompasses end-to-end product planning and management, value-added services for last-mile delivery, predictive planning, and analytics, among other things. One of the key drivers of this expansion is projected to be the rise of India's logistics industry, which employs 22 million people and serves as the backbone for various businesses. The logistics sector in India was valued at US\$ 250 billion in 2021, with the market predicted to increase to an astounding US\$ 380 billion by 2025, at a healthy 10%-12% year-on-year growth rate. Moreover, the government is planning to reduce the logistics and supply chain cost in India from 13-14% to 10% of the GDP as per industry standards.

The industry is crucial for the efficient movement of products and services across the nation and in the global markets. The logistics business is highly fragmented and has over 1,000 active participants, including major local players, worldwide industry leaders, the express division of the government postal service, and rising start-ups that focus on e-commerce delivery. The industry includes transportation, warehousing, and value-added services like packaging, labelling, and inventory management. With the advent of technology-driven solutions such as transportation management systems (TMS) and warehouse management systems, India's logistics industry has witnessed tremendous development in recent years (WMS). These solutions have assisted logistics firms in increasing operational efficiency, lowering costs, and improving customer service.

As depicted in the below pie chart (left), representing the segment-wise breakup of the logistics sector in FY21. Roads have the largest percentage share of 73% followed by rail (18%), water (5%) and air (5%).

The below pie chart (right) represents the fragmented structure of the Indian logistics industry.



(Source: Article on Transforming the future of Indian logistic sector by Ernst & Young, 13 April 2023, Ware housing and Logistic Sector – a report by India Brand Equity Foundation (IBEF) and ASSOCHAM and The Logistics and Warehousing Market in India October 2022, by KPMG)

## MARKET SIZE

Businesses over the years have been gradually outsourcing their logistic and warehousing to 3PL players and this trend has only intensified overtime. The increasing need to focus resources on core operations and optimize returns, has been the primary driver for this shift. Real Estate is being increasingly viewed as a productivity enabler at the workplace, be it an office space or the warehouse. However, the efficacy as a productivity enabler demand a certain level of expertise or specialization that businesses are increasingly cognizant of. While the co-working operator has claimed this space in the office market, it is the 3PL operator who has anchored the warehousing market over the years.

The Indian warehousing market is also gaining momentum with increasing demand and supply over the years. 3PL and ecommerce players are the major occupiers, penetrating in tier-2 and tier-3 cities as well, and eventually increasing the share of secondary markets, focusing on larger picture of convenience, efficiency, and sustainability, companies are moving to a hub and spoke model, while also adopting technology for streamlined operations.

The logistics ecosystem, comprising storage and transportation facilities, is likely to be pushed further for improved efficiency and availability so that the logistics costs are low and competitive. The logistics sector is already growing at a growth rate of 10–12% Y-o-Y contributing to 14.4%<sup>3</sup> to the country's GDP. The sector employs more than 20 million people. Within the logistics sector, the warehousing storage sector is growing even faster at a CAGR of 15.64%<sup>4</sup> and expecting to reach a market size of USD 35 billion by 2027.

(Source: India Warehousing Market Report – 2023 by Knight Frank)

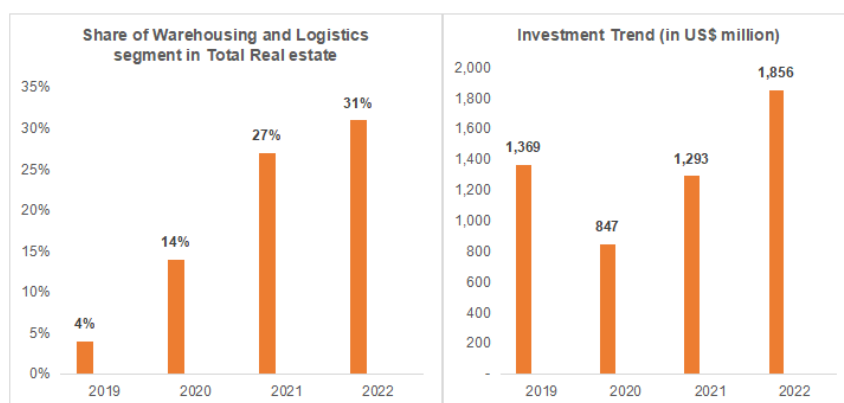
(Source: The Logistics and Warehousing Market in India – report by KPMG)

(Source: Evolving Landscape of Warehousing and Logistics in India: a Road to becoming third largest economy in the world by 2027 by Grant Thornton)

## INVESTMENT TRENDS

Foreign corporations are actively investing in India's logistics infrastructure to capitalize on the country's strategic location, trained labour, and improved business environment. The development of industrial and logistics parks, as well as data centres, is a new bright spot on the Indian real estate heatmap. In 2022, these two segments received US\$ 1.8 billion in Private Equity (PE)/ Venture Capitalist (VC) investments, representing a 29% increase year on year. The industry garnered investments worth US\$ 1 billion (Rs. 8,257 crore) at the beginning of 2022. The logistics and industrial industries' quarterly average investment was around 1.3 times more in 2021 than it was in 2021 when it was US\$ 335.69 million (Rs. 2,755) crore. Over the last four years (2019-2022), the warehouse and logistics sector has received a total institutional investment of US\$ 5.4 billion, with 2022 accounting for a major 35% portion.

Warehouse investment accounted for the second greatest percentage of institutional real estate investment in both 2021 and 2022, accounting for 27% and 31%, respectively, outperforming other asset classes such as residential and retail. During the four-year period 2019-2022, the western area of the country - led by Mumbai, Pune, and Becharji, (a tiny town in Gujarat) - witnessed the second-greatest institutional investment in warehousing, accounting for 35% of total investment in the industry, demonstrating the increased confidence that investors have in the nation's Tier II cities.



(Source: Warehousing and Logistic Sector – a report by India Brand Equity Foundation (IBEF) and ASSOCHAM)

housing and

## ROAD AHEAD

The warehousing and logistics industry in India is a dynamic and rapidly growing sector that is expected to play an increasingly important role in the country's economy. Despite some challenges, the sector is well-positioned for long-term growth and presents exciting opportunities for investors and businesses. With the government's focus on improving infrastructure and the rise of e-commerce, the sector is expected to be a key driver of economic growth in the country. Moreover, with the increasing adoption of technology and the government's push for a digital economy, there is also significant potential for logistics players to leverage data analytics, artificial intelligence, and machine learning to improve operational efficiency and enhance customer experience. There are also opportunities for foreign investment as international companies look to tap into India's growing logistics market. The government has made it easier for foreign companies to invest in the sector by allowing 100% foreign direct investment in logistics parks and warehouses.

(Source: Warehousing and Logistic Sector – a report by India Brand Equity Foundation (IBEF))



## OUR BUSINESS

*The following information should be read together with the more detailed financial and other information contained in the sections “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” beginning on pages 28, 178 and 142 respectively. Some of the information in this section, including information with respect to our plans and strategies, contains forward looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” on page 21 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

The journey of the Company started with incorporation of Kaushalya Buildcon Private Limited in the year 2007 to carry on the business of construction of commercial buildings, residential buildings, factory sheds etc. With the experience gained in this area of operations the company diversified in providing logistic support to cement industry. In 2010 the business of providing logistic support started with 4 warehouses and was expanded year on year and currently the company is maintaining 70 warehouses belonging to Dalmia Cement Bharat Limited in the state of Bihar, Tamil Nadu and Kerela among other operating states in India. The warehouses which the Company is maintaining on behalf of Dalmia Cement, are all leased by Dalmia Cement (Bharat) Limited in their own name unless specifically leased (on reimbursement basis) by us for short periods of time based on their specific request. Dalmia cements is paying a consolidated consideration for clearing and forwarding services which are inclusive of maintenance (normal wear and tear but exclusive of rentals and any capex expenses) of warehouses. The Company primarily provides Clearing and Forwarding (C&F) Services to dealers and customers of Dalmia Cement Bharat Limited.

Poddar Group under the leadership of Uddhav Poddar took over the management and control of the Company in the year 2011. Now, the Company is a part of the Poddar Group, which is an established Group grown into a diversified business conglomerate spanning across industries like construction, warehousing, logistics, development of commercial space and e-commerce business. One of the Promoter, **Uddhav Poddar** is Group CMD. He is B. Com (Hons) from Delhi University, engaged in entire group business and is overseeing managerial and operational functions of entire group since last 15 years. Hailing from the Poddar Family, which has business spread across various verticals such as construction, manufacturing, entertainment & logistics and e-commerce business for over 58 years.

The name of the company was changed to ‘Kaushalya Logistics Private Limited’ in August 2016 to give focus to Logistics operations across the Country and diversify the business in more related areas. The Company has operations in Tamil Nadu, Kerala, Karnataka, Bihar and Rajasthan and operates with Head office in New Delhi and Regional Office in Chennai. The name of the Company was further changed to ‘Kaushalya Logistics Limited’ on May 01, 2023.

Kaushalya Logistics Limited is developed as an integrated Logistics and Clearing and Forwarding (C&F) services provider. At present the Company operates in three major verticals, one of which vertical is providing logistic support for handling and dealing in the cement for dealers and customers of Dalmia Cement Bharat Limited. The other vertical is of retail /e-commerce business wherein we are the sellers of Electronics and White Good items such as Televisions, Refrigerator, Washing Machines etc. on a major online e-commerce platform, covering locations all across India with registration under Goods and Services Tax (GST) in 17 Locations. We have also ventured out in commercial real estate sector by owning and renting out commercial shops in Udaipur, which constitutes the third vertical of our business operations.

The Company is operating as Clearing and Forwarding agents for major cement Companies like Dalmia Cement Bharat Limited. Business model includes end to end support including clearing rail rake from railways, getting material transported to warehouse, loading / unloading, dispatches to distributors, invoicing, warehouse management including upkeep of stock, handling insurance matters and depot audit , related statutory compliances etc. Practically all operations on behalf of our customers after dispatch from production facility are handled by us. This comes with huge saving of manpower resources, saving on material wastage and other operational cost to customers through our efficient working which is based on vast rich experience in the logistics and warehousing field. This helps customers in having better reach over their customers in more transparent way, gaining more market share and customer confidence. Company works on asset light model, wherein company uses warehouses owned / rented by customers only. All transport fleet is hired based on broad parameters fixed by customer.

Company got engaged with a major online e-commerce platform as sellers of white good and electronics since January 2022. In online business, company sells products purchased from the leading brands only. Online business is performed with the help of various companies associated with the major online e-commerce platform. Company has entered agreements with Authorized distributors on B2B basis and purchases the products on best pricing on bulk purchases with best of discounts based on identification through automated Intelligence support provided to us. All related activities with respect to receipt of goods, storage of inventories, Invoicing, Dispatches, Collection of COD Payments, return materials from customer location (including second sale material) and back to warehouse are being handled,

managed and supervised by a third party agency. Collection from customers is done by the major online e-commerce platform and the same is remitted to us after deducting their charges on account of various services being provided to us. Sales return are being picked by outsourced agencies based on manufacturer's warranty terms with the supplier.

Company has also invested into pre-rental properties. This was to encash a good opportunity with the objective to having some regular cash inflows. Currently 18 retail shops are owned by the company in commercial project in Udaipur which give steady rental income.

Company is looking to further extend its business into other verticals within Logistics like Warehousing, Transportation etc & also looking to expand its other verticals. As Company has established strong name in the cement industry and is in discussions with other cement companies and because of their strong relationship with their existing customer Dalmia Cement, it is actively exploring many more potential business opportunities in warehousing and transportation for them in addition to the new customers

#### Financial Snapshot (Restated)

(All amounts in ₹. Lakh)

Financial Performance	For the stub period	For the year ending		
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	57,053.16	63,216.41	6,358.92	3,328.40
EBIDTA	425.14	1,387.57	932.65	542.63
PBT	286.52	936.30	522.69	398.82
PAT	214.65	707.02	377.02	300.96

#### Our Locations

Purpose	Address
<b>Registered Office &amp; Head Office</b>	19, Community Centre, First and second Floor, East of Kailash, New Delhi - 110065
<b>Regional Office</b>	Bearing No. 2/207, 1 <sup>st</sup> street, Viduthalai Nagar, S. Kolathur, Chennai – 600129
<b>Branch Office</b>	303, Asha Mansion, Bailey Road, IAS Colony, Near Alankar Maruti Showroom, Danapur Cantt Colony, Patna Bihar 801503
	Ground Floor, cabin no 107, AIMS Business center, building no. 57-28-1, Venkatadri Block, old ITI junction, BRTS road, Visakhapatnam, AP, 530008
	3rd Floor, Cabin No. 2, Work Studio Coworking, Monal Tower, GS Road, Guwahati, Kamrup, Assam, 781006
	Office No. 404, Cabin No. 2, Rajendra Enclave, Exhibition Road, Patna, Bihar, 800001
	Cabin No. PP-01, Office No. 513, Progressive Point, Near Lalpur Fruit Market, Raipur, Chhattisgarh, 492000
	Property No. 19, 3rd floor, Community Centre, East of Kailash, New Delhi, Delhi, 110065
	Gala Empire, 13th Floor, Opp. Doordarshan TV Tower, Drive-In Road, Thaltej, Ahmedabad, Gujarat, 380054
	9th, Unit no.909, Vipul Business Park, Sohna Road, Sector 48, Gurugram, Gurugram, Haryana, 122004
	46/4, K No. 661/3 - 1114/3, 4,5, G B Palya, Bangalore, Urban, Karnataka, 560068
	CFE offices, 14, 1st Floor, Plot no.6, Mukund Mansion, Ranade Road, Dadar West, Mumbai City, Maharashtra, 400028
	Cabin No. 2, Virtual Coworks, No. 128-129, PU 4, Scheme No. 54, Indore, Madhya Pradesh, 452010
	Cabin No. A1, 229/5331, Gautam Nagar, Bhubaneswar, Khordha, Odisha, 751014
	Cabin No.3, Plot No.986, Sector 82, Janta Industrial Area, Mohali, SAS Nagar, Punjab, 160055
	F210-223, RICCO Industrial Area, Sukher Badgaon, Udaipur, Rajasthan, 313001
	Bearing No. 2/207, 1st Street, Viduthalai Nagar, S. Kolathur, Chennai, Tamil Nadu, 600129
	Cabin No 1, FNo 205, 8-2-644/1/205, Road No 12, Hiline Complex, Banjara Hills, Hyderabad, Telangana, 500034
	Cubicle Workzone LLP, F-294, Sector 63, Noida, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301

## Our Certifications and Accreditations

Uddhav Poddar has accumulated many accolades in course of his journey as entrepreneur. Some of which are as under:

1. **Realty & More** magazine in its issue for the month of September 2020 has named him as ‘**Young Guns of Real Estate**’.
2. He was Patron member of **ASSOCHAM from November 2021 till October 2022**.
3. **FORBES India** in their issue of September 2020 featured him as a rising star in the Real Estate Industry building his own legacy.
4. **Outlook Magazine Issue of April 2021** has published an article on him.
5. **Images Retail Magazine Issue of December 2020** has published an interview of him on Urban Square Mall in Udaipur.
6. He is the founding member of **SCAI (Shopping Center Association of India)**, a non-profit organization set up to engage and encourage the overall growth of shopping center industry in India. He also chairs the committee for North India of SCAI.
7. **Dainik Bhasker** featured him as “**100 Change Makers in Udaipur**”, while Reality Plus chose him as “**Real Estate top 100 influencer’s and top COX’s**”. (Year 2021)
8. **Reality Plus** has also recognized him as a dynamic successful business leader in its “**40 Under 40**” category. (Year 2021)
9. Recognised as esteemed patron member of the **PHDCCI (PHD Chamber of Commerce & Industry)** for the year 2021-2022 issued vide letter dated November 9, 2021.
10. Zee Rajasthan has recognized him under ‘Udaan Dare to Dream’ for the Urban Square Mall. (Year 2021)
11. He was also the President of Entrepreneurs Organization (EO) for the Jaipur Chapter, later becoming the **incoming Area Director for Entrepreneurs Organization for the entire South Asia Region**.
12. Our Promoter Group Company BEPL is a member of CREDAI Rajasthan, Jaipur, formerly Rajasthan Builders and Promoters Association with membership number 232.
13. Images Shopping Centre Award 2019 recognised Urban Square as Second Runner up.
14. Bhumika Group was recognized as IBE best Brand in Real Estate Category by International Brand Equity. (Year 2020)
15. Bhumika Group was given Excellence Award 2020 for Architectural Design of the Year – Retail for Urban Square
16. DNA Magazine has given Real Estate & Infrastructure Round Table & Award to Bhumika Group as Emerging Developer of the Year 2019.
17. Bhumika Group was awarded in the category emerging developer of the year – Retail (North) by RE/MAX India. (Year 2019)

## Major areas of Operation:

Our Company has three business verticals viz., Logistics, E-Commerce and Commercial Real Estate.

### Logistics

Our Company is providing Logistics (Carrying & Forwarding) services to major Cement Companies, mainly to Dalmia Cements (Bharat) Limited, in India. We have also worked with certain other cement companies like Ultratech Cements Private Limited in the past. However, at present approximately 60% of our total profit comes from our activity of Carrying & Forwarding Services provided to Dalmia Cements (Bharat) Limited. We do not have any long-term agreement or any exclusivity agreement with them. As a logistics and supply chain company, the scope of our services includes the following:

1. **Logistics & Transportation** – Under the logistic & transportation services we are specialized in all surface transportation or being multi-model transportation. Our comprehensive and customized solutions help the customers navigate through the complexities of transportation. We are providing tailor made services to the big cement companies which includes
  - Multimodal transportation road/rail
  - Pick-up, packing options, delivery, and distribution
  - Complete documentation service
2. **Surface Transportation**–This service involves the transportation of the client’s goods over the land. We receive

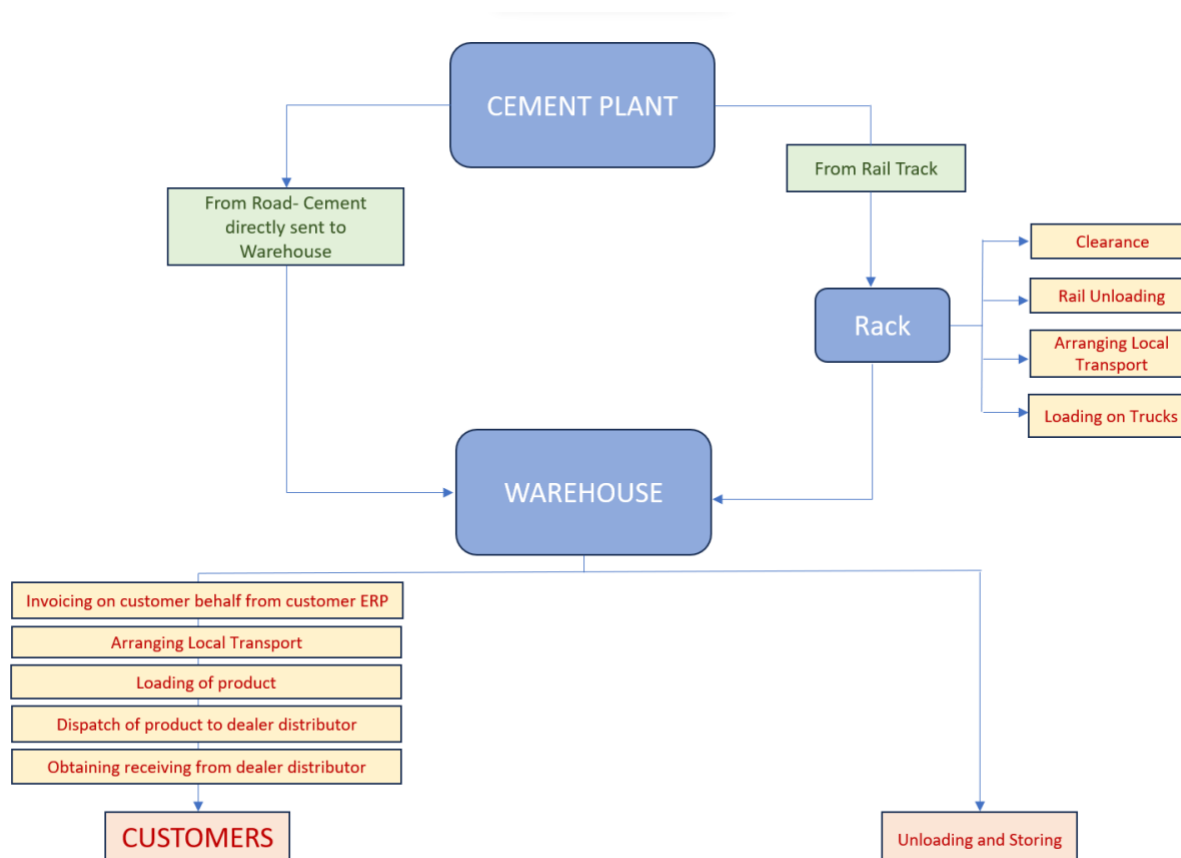
the goods sent by the Cement Companies through Railways and arrange local transport upto the warehouses The surface transportation services are undertaken through third-party service providers. Our surface transportation services clearly define the transit times giving our customers the security to budget reliably and track the smooth transition of goods. We offer fast and reliable services to deliver goods in flawless condition, operating on the principle of care and perfection.

3. **Warehousing & Distribution** – We offer comprehensive warehousing solutions. Currently the Company is maintaining 70 warehouses belonging to Dalmia Cement (Bharat) Limited in the state of Uttar Pradesh, Bihar, Tamil Nadu and Kerala among other operating states in India. The warehouses which the Company is maintaining on behalf of Dalmia Cement, are all leased by Dalmia Cement (Bharat) Limited in their own name unless specifically leased (on reimbursement basis) by us for short periods of time based on their specific request. Dalmia Cement pays a consolidated consideration for Clearing and Forwarding services which are inclusive of maintenance (normal wear and tear) but exclusive of rentals and any major capex expenses of warehouses.

The warehouses are owned / leased by the customers and not by our Company. We are managing warehouses of our customer at 70 locations across the country. Dalmia Cement often invites our Company in their Strategy Meetings related to logistics and warehousing, where we provide suggestions / solutions for ongoing issues and also suggest improvements in business cycle. This enables us to provide comprehensive warehousing solutions and engage ourselves in the improvement schemes in logistics.

4. **Invoicing and Challans** – Company generates the Invoices and challans on the ERP system of the customers and arranges the transport for delivery to the distributors location through third party transport operators.
5. **Door to Door Delivery** – From the shipper’s door to the consignee’s door, we take complete responsibility for the delivery service. We serve as a ‘single window’ continuously monitoring shipments from their origin until their destination. We close all communication gaps while interacting between different agencies involved. Thus, making us a go-to service provider in the supply chain industry.

**Flow Chart of Logistic Operations is explained as under:**



### OTHER KEY WORKINGS

- Preparation of MIS (on daily, weekly, monthly and yearly basis)
- GST filings for customers
- Participation in various improvement schemes & strategy meeting on Logistics etc. for customers

## I. E-Commerce

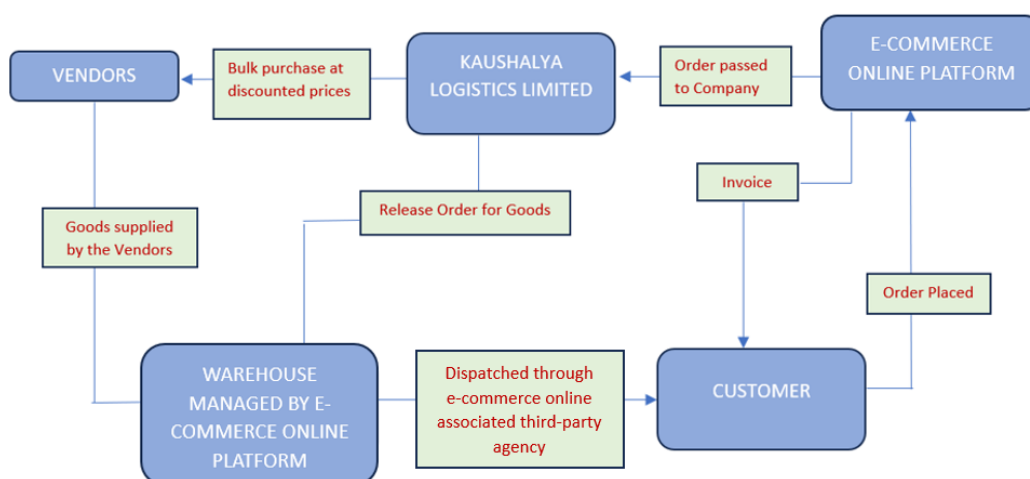
Our Company has registered itself as a seller with a major online e-commerce platform and also entered into various agreements with the said platform which authorize the Company to sell various products on the said platform and on the basis of which it provides certain services to our Company. The nature of these services is to facilitate the sales on the said platform. These Agreements are all non-exclusive but shall remain in force until terminated by the e-commerce platform after giving prior written notices varying from 30 days' to 60 days' period to our Company. We are currently categorized as 'Diamond tier' seller based on our performance.

Our Company is a seller on a major online e-commerce platform, selling various products. Our Company has established trustworthy relationship with various Authorized Distributors /Suppliers of Electronic and White Goods. These Goods are procured at bulk discount from such Authorized Distributors / Suppliers on credit terms which may differ from case to case. Sales made by the Company on the e-commerce Platform is on 'prepaid' or 'cash on delivery' basis and remitted to the Company by e-commerce platform in around two weeks' time from date of collection. Based on above, the Company is mostly able to manage the cash flow due to the leverage available because of the credit terms from the respective vendors. In case of shortfall of funds, the Company uses the working capital limits availed from the lenders. As such, there is no major requirement of deployment of funds in the online trading business as the commodities / items are purchased on credit and sold on 'prepaid' or 'cash on delivery' basis.

Retail customers place their orders for White Goods and Electronic items on the online platform which are fulfilled by the Company. The Sales Invoicing is outsourced to the online e-commerce platform's managed entities. The goods are supplied through Companies supervised by the online e-commerce platform.

Collection of Sale proceeds is done by the online e-commerce platform and the Company is compensated by the online e-commerce platform after deducting their charges and commission.

The Flow Chart showing the operating process is given hereinbelow:



## II. Commercial Real Estate

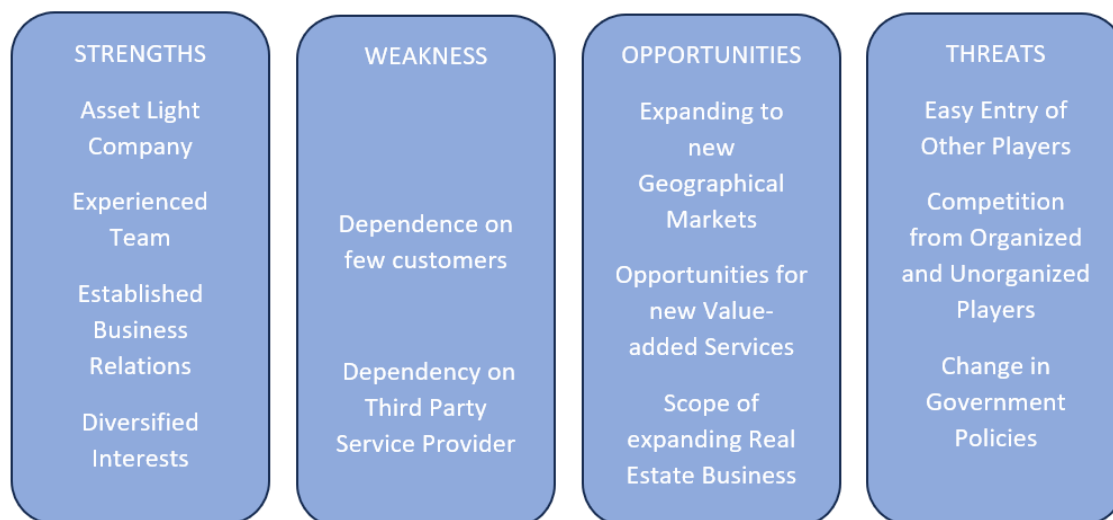
Our Company has diversified into owning and renting out Commercial Properties. We have 18 shops in the Commercial Project in Udaipur which have been rented out with steady income per month. Our Company is looking to expand further in this line of business. We are looking at acquiring more of such properties which are either pre- leased or may be leased to leading national / international brands to generate a rental income for the Company. Our group company "Bhumika Enterprises Private Limited" is also into business of real estate development. As of now, there is a fair and clear demarcation between the businesses of the two Companies. Kaushalya Logistics has three business verticals

namely, Logistics, e-commerce, and commercial real estate (limited only to earning of steady rental income), whereas Bhumika Enterprises Private Limited is into development of real estate which includes development of malls, offices, hotels, service apartments etc. which are either sold, leased or operated as the case may be.

**Bifurcation of revenue earned from the three business verticals for the stub period as on June 30, 2023 and past 3 FYs:**

Vertical	June 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Logistics	1,312.32	5193.82	3765.63	3140.32
E-Commerce	55,525.09	57264.13	2195.62	Nil
Comm. Real Estate	48.57	347.58	141.94	Nil

**Swot Analysis**



**OUR COMPETITIVE STRENGTH**

**Integrated, end-to-end logistics services and solutions**

Our integrated, end-to-end logistics services focus on creating solutions that address the requirements of our clients. Our range of services, transportation, warehousing, and handling of cargo. Use of integrated, end-to-end solutions logistics service provider such as us results in enhanced cost efficiencies for our clients, which encourages them to use our services. Our business development and solutions are dedicated to, and specialize in, designing customized integrated logistics solutions for our clients, which have helped improve service levels, cost, quality, scalability and visibility of our clients' supply chain. This, along with a combination of our logistics and transportation network and diversified service portfolio, has made it possible for us to attract and retain clients across various industry segments. This integrated approach allows us to exploit network and infrastructure synergies, reduces our dependence on any single business line and also reduces the effect of cyclicity in our customers' businesses on our operations.

**Our existing Network**

We have tapped markets across the country by establishing a strong and symbiotic relationship through our network with various companies through our group companies. Over the year we have established a strong relationship with cement companies and a major online e-commerce platform managed suppliers. We are having trusted relationship with them with repeated orders and ever-expanding presence across the country.

**Storage Capabilities**

We have established a well-documented process for our warehouse management system which can be used by our customers to help them store their products. The warehouse is equipped with all the necessary requirements for proper handling, safety and security of the cargo like end-to-end surveillance, material handling equipments like MHE / HPT / Forklift / Reach Trucks, trained manpower, packaging facility and Epoxy Flooring with storing high load capacity. Warehousing facility services allows the customer to keep their goods in our warehouse which can be delivered based on the requirement of the customers or for storing of the goods which are waiting for clearance or approval.

We do handle all kinds of goods with efficiency, ensuring safety and privacy. We also conduct regular quality control checks on entry and exit of goods., which is equipped to store all kind of goods safely before being transported to its final destination. We have an experienced team of equipment handlers, which ensures careful handling of goods.

### **Strong knowledge and expertise of our promoters**

Our promoters have a strong knowledge of the logistic and warehousing management. Under their leadership we have shaped our company and build domain knowledge of specific logistics requirements in a variety of sectors such as Cement & Retail. This domain knowledge combined with our capabilities of end-to-end logistics management enables us to offer customized solutions in these customers' requirements. We have an experienced management team which we believe has positioned our business well for continued growth and development. Our management team has significant experience in the areas of finance, logistic, business. We believe that the knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow in our existing markets and enter new segments and geographies.

## **OUR BUSINESS STRATEGIES**

### **Focus on existing large revenue clients by providing integrated, end-to-end solutions and continue to provide additional services to existing clients**

We have established close relationships with the existing clients like cement companies and a major online e-commerce platform. We intend to leverage this relationship to further acquire more business in warehousing and retail. We intend to continue to acquire large revenue clients and provide them with integrated, end-to-end solutions to address all their logistics requirements. This gives our clients flexibility and scalability in their operations along with cost efficiencies. We expect that focusing on a few clients will allow us to manage and allocate our resources efficiently and enhance our ability to provide customized solutions. We also believe that this approach will result in increased revenues and a higher rate of renewal of contracts and will allow us to continue to grow our business. However, this approach may result in certain dependence on a limited number of clients in certain industry verticals. Additionally, we will also continue to expand our relationships with our existing clients by offering additional logistics services to them.

### **Identifying new customers and continue to diversify our revenues from different industry verticals**

Our strategy also includes marketing customized solutions to target customers and analyzing their business processes to propose a comprehensive solution to their warehousing, logistic and supply chain needs. Our senior management focuses on customer account management for existing customers and new business development. We shall identify new customers for offering our state-of-the-art customized solutions. Company is also looking to diversify into managing material transportation requirements of big infrastructure players. We shall leverage our vast experience in construction industry for building relationships for this vertical. This shall provide additional revenue stream and reduce the dependence on few customers.

As our customers continue to grow and their supply chains increase in size and complexity, we intend to focus on expanding the range of services for which they rely on us, cater to new geographies in which they operate and expand our services into their new product lines.

### **Continue to focus on upgradation of existing systems**

We have customized our management solutions for warehouses and we benefit from scale of business and technological upgradations from time to time. We intend to continue to upgrade our systems with best of the technological solutions to enhance customer satisfaction. It shall help us in not only to scale up the existing operations but also to acquire new customers or expanding the operations of the existing customers.

### **Focus on new warehouses**

In order to take advantage of the business expansion opportunities, we intend to obtain leasehold or license rights over large, multi- user, integrated warehouses in certain specific well-connected and central locations in India. Our present warehouses are well connected to several manufacturing and consumption clusters in India. Addition of new warehouse in different locations is likely to emerge and position ourselves to ideally serve our clients' needs. We will have the capability to provide a wide variety of warehousing and value-added services from these warehouses. We will continue to focus on increasing the utilization rates of our new warehouses by continuing to attract new clients.

### **Industries served**

Over the years with the intent to cater to all needs of our customers, we have focused, nurtured, and leveraged in

building domain focus in our Company. Our major customers belong to cement industry in Logistic vertical. In retail business electrical & electronic White goods are our focus area.

Each of these sectors has unique considerations that we must take into account in optimizing our service offerings to our customers. For example, the Cement industry requires timely deliveries of the goods to maintain the competitive advantage.

We are diversifying into developing Railway Sheds on 'Build and Operate' basis for Forwarding of Goods for various customers transporting their merchandise through Railways. We have submitted Expression of Interest (EOI) dated February 23, 2023 to Northern Western Railway, Jaipur Division and shown our interest to undertake the work of development of Railway shed at Khorl under Gati Shakti Model. As on date we are awaiting further update from by the concerned authority.

Our business vertical is cemented in expert knowledge and technical know-how. Human and environmental concerns take top priority, as we comply with rules and regulations.

## **CAPACITY AND CAPACITY UTILIZATION**

Capacity and capacity utilization is not applicable to our company since we are primarily involved in logistics movement and storage activity.

## **EXPORT OBLIGATION**

Our Company does not have any export obligation as on date of this Red Herring Prospectus.

## **OUR FLEET**

Company does not own any fleet. We hire transport operators for deliveries from the warehouses as per the specifications of our customers.

## **COLLABORATIONS/TIE UPS/ JOINT VENTURES:**

In the normal course of our business, we have not entered into any collaborations/tie ups/ joint ventures.

## **COMPETITION**

The industry in which we operate is unorganized and fragmented with mostly small sized companies. Logistics being a global industry, we face competition from mostly domestic players as there are no global players in cement logistics within India. We compete with other service provider on the basis of service quality, price and reliability. While these factors are key parameters in client's decisions matrix in availing service, we try to offer the best quality service at the right price. Although a number of small companies compete with us on a regional basis, only a limited number of companies compete with us in all of our geographic markets. We believe that the scale and scope of our operations allow us to meet our customers' requirements

Major competitors include Expeditors International, Allcargo Logistics Limited, CEVA Logistics, Om Freight Forwarders Private Limited, Mahindra Logistics Limited and other national or international players engaged in the Logistic industry.

## **SALES AND MARKETING**

The efficiency of the marketing and sales network is a critical success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our Marketing team through their vast experience and good rapport with clients owing to timely and quality delivery of service play an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our marketing team, along with the Promoters and senior management and middle management team of our company who have vast experience regularly interact with them and focus on gaining an insight into the additional needs of such customers.

Our one-stop total logistic solution approach helps us cater to varying market bases and clientele. Our sales and marketing team is driven to customize solutions to maximize client service and satisfaction. The long tenure of our workforce helps us in an in-depth understanding of the industry and its changing trends at a micro and macro level.



## INFRASTRUCTURE & UTILITIES

**Power:** - Power requirements for our office and warehouse are very limited and are met through state electricity board.

**Water:** - Since we are logistic and storage company our water requirement is minimum.

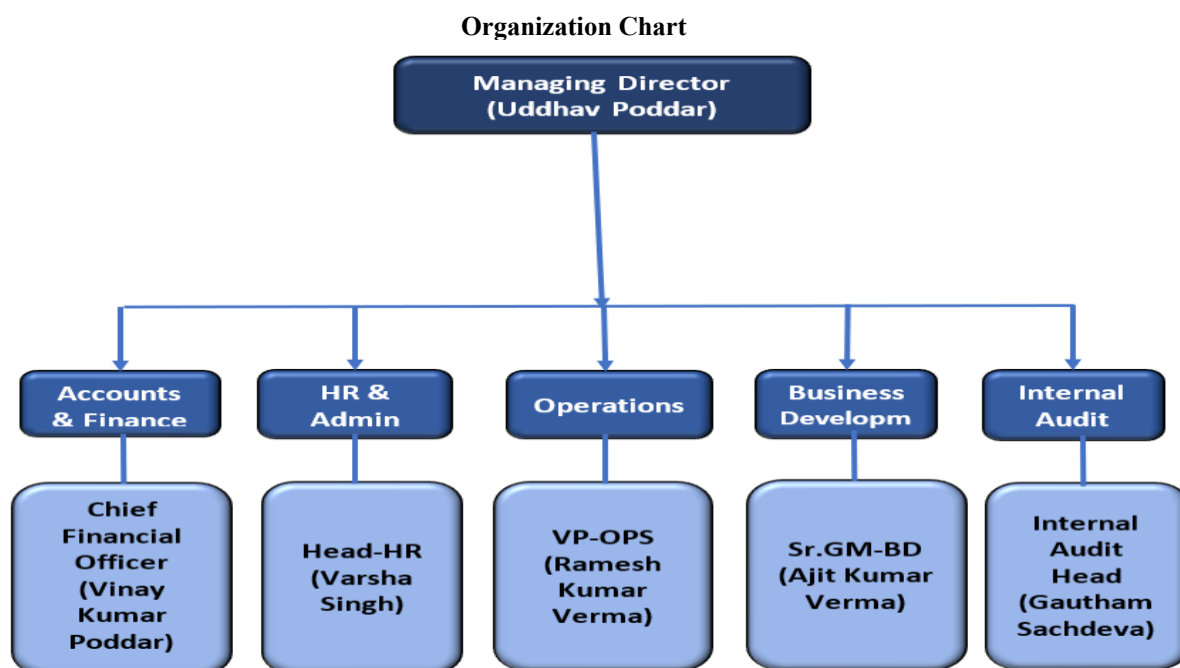
**ERP Software:** - We are using clients ERP software to ensure seamless and smooth tracking and documentation from start to end of the shipment. The software assures accuracy and helps build efficiency. The system helps track shipments that ensure an accurate update to customers at every checkpoint within the supply chain system.

## HUMAN RESOURCE

Our Company has a total strength of 142 Employees. Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance. We believe is a people-oriented organization. We believe that people are the most important element in the success of our enterprise.

The classification of the Employees as per their qualification and designation is stated below:-

Categories	No of Employees
Senior Management Personnel	17
Managers	6
Executives ( Depot Executive)	119
Staff Level ( Support )	1
<b>Total</b>	<b>142</b>



## INSURANCE

Company does not have any insurance policy in its name. The commercial real estate viz., 18 shops in the commercial project in Udaipur are covered by a comprehensive business risk in the name of their Group Company i.e., Bhumika Enterprises Private Limited.

As the risk of transportation of cement on behalf of their customers lies with the customers themselves, the insurance is also covered by them. Further the retail ecommerce deliveries are handled by the major online e-commerce platform's associated companies and the risks are also borne by them.

We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to ensure our business and operations and is in accordance with the industry standard in India. Although, many events could cause

significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which may expose us to certain risks and liabilities.

## PROPERTY

### Intellectual Property:

The Details of trademark used by the Company is:

Mark/Label	Trademark Type	Trademark No. and Class	Issued By	Issued On	Validity
KLPL WORLD Retail	Word Mark	5299598 Class 35	Trade Mark Registry, Mumbai	January 25, 2022	Valid for Ten Years January 25, 2032
KLPL ATALS Ecommerce	Word Mark	5299599 Class 35	Trade Mark Registry, Mumbai	January 25, 2022	Valid for Ten Years January 25, 2032

## IMMOVABLE PROPERTY

### Properties Owned by the Company:

Sl. No.	Details of the Properties	Actual Use	Date of Agreement	Consideration
1.	Retail Shop with Carpet Area 163.76 Sq. Meter and Super Area of 271.84 Sq. Meter at Unit No. M001, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur	Retail Shop for Rental Income	December 10, 2021	₹.2,63,34,927/-
2.	Retail Shop with Carpet Area 42.25 Sq. Meter and Super Area of 70.14 Sq. Meter at M001A, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, District Badgaon, Udaipur.	Retail Shop for Rental Income	October 4, 2022	₹.45,30,000/-
3.	Retail Shop with Carpet Area 109.53 Sq. Meter and Super Area of 181.81 Sq. Meter at Unit No. M002, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.1,76,13,000/-
4.	Retail Shop with Carpet Area 33.75 Sq. Meter and Super Area of 56.02 Sq. Meter at M002A, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, District Badgaon, Udaipur.	Retail Shop for Rental Income	October 4, 2022	₹.36,18,000/-
5.	Retail Shop with Carpet Area 38.46 Sq. Meter and Super Area of 63.92 Sq. Meter at Unit No. M003, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.61,92,000/-
6.	Retail Shop with Carpet Area 37.81 Sq. Meter and Super Area of 62.80 Sq. Meter at Unit No. M004, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.60,84,000/-
7.	Retail Shop with Carpet Area 56.48 Sq. Meter and Super Area of 93.83 Sq. Meter at Unit No. M005, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I	Retail Shop for Rental Income	December 10, 2021	₹.90,90,000/-

	at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.			
8.	Retail Shop with Carpet Area 83.52 Sq. Meter and Super Area of 138.70 Sq. Meter at Unit No. M006, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.1,34,37,000/-
9.	Retail Shop with Carpet Area 40.69 Sq. Meter and Super Area of 67.63 Sq. Meter at M006A, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, District Badgaon, Udaipur.	Retail Shop for Rental Income	October 4, 2022	₹.43,68,000/-
10.	Retail Shop with Carpet Area 81.57 Sq. Meter and Super Area of 135.36 Sq. Meter at Unit No. M007, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.1,31,13,000/-
11.	Retail Shop with Carpet Area 64.38 Sq. Meter and Super Area of 106.93 Sq. Meter at Unit No. M008, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.1,03,59,000/-
12.	Retail Shop with Carpet Area 102.01 Sq. Meter and Super Area of 169.36 Sq. Meter at Unit No. M009, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.1,64,07,000/-
13.	Retail Shop with Carpet Area 55.46 Sq. Meter and Super Area of 92.07 Sq. Meter at Unit No. M010, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 10, 2021	₹.89,19,000/-
14.	Retail Shop with Carpet Area 25.83 Sq. Meter and Super Area of 42.83 Sq. Meter at M010A, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, District Badgaon, Udaipur.	Retail Shop for Rental Income	October 4, 2022	₹.27,66,000/-
15.	Retail Shop with Carpet Area 359.53 Sq. Meter and Super Area of 513.38 Sq. Meter at Unit No. M012, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 20, 2021	₹.4,69,71,000/-
16.	Retail Shop with Carpet Area 74.60 Sq. Meter and Super Area of 123.84 Sq. Meter at Unit No. M016, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 23, 2021	₹.1,13,30,500/-
17.	Retail Shop with Carpet Area 10.41 Sq. Meter and Super Area of 17.28 Sq. Meter at Unit No. M017, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I	Retail Shop for Rental Income	December 23, 2021	₹.15,81,000/-

	at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.			
18.	Retail Shop with Carpet Area 109.72 Sq. Meter and Super Area of 182.18 Sq. Meter at Unit No. M018, Ground Floor in the Commercial Project situated in URBAN SQUARE, Project/Phase I at Plot No. F210 to F223, RIICO Industrial Area, Sukher, Tehsil Badgaon, Udaipur.	Retail Shop for Rental Income	December 23, 2021	₹.1,66,68,500/-

**Properties Leased by the Company:**

Sl. No	Details of the Properties	Actual Use	Lessor / Licensor	Date of Agreement	Period of Lease / License		Lease Rental / License Fee
					From	To	
1.	19 Community Centre, 1st and 2nd Floor, East of Kailash, New Delhi - 110065	Registered Office	R.P Estates	May 1, 2007 and renewed on December 4, 2018	December 04, 2018	December 31, 2023	₹. 1,75,000/- per month
2.	Bearing No. 2/207, 1st Street, Viduthalai Nagar, S.Kolathur, Chennai, Tamil Nadu, 600129	Regional Office & Branch Office	C. Nallamuthu (through D. Ramkumar)	August 01, 2023	August 01, 2023	July 31, 2025	₹.28,941/-
3.	Office No. 404, Cabin No. 2, Rajendra Enclave, Exhibition Road, Patna, Bihar, 800001	Branch Office	Kirtirahul Multiprojects Private Limited	August 24, 2023	September 01, 2023	July 31, 2024	₹.13,000/- plus GST
4.	Cabin No 107, AIMS Business Centre, Building No.57-28-1, Ground Floor, Venkatadri Block, Old ITI Junction, BRTS Road, Vishakhapatnam, Andhra Pradesh, 530008	Branch Office	AIMS Business Center	July 29, 2023	September 09, 2023	August 12, 2024	₹.14,700/-
5.	46/4, K No. 661/3 - 1114/3, 4, 5, G B Palya, Bangalore, Bengaluru Urban, Karnataka, 560068	Branch Office	Messrs. Polisetty Somasundaram	September 13, 2023	September 02, 2023	August 01, 2024	₹.17,174/- plus GST
4	CFE offices, 14, 1st Floor, Plot No.6, Mukund Mansion, Ranade Road, Dadar West, Mumbai, Maharashtra, 400028	Branch Office	CFE Business Centre Private Limited	September 02, 2023	August 28, 2023	July 27, 2024	₹.18,318/- (Security Deposit of ₹.32,000/-)
5	Cabin No. 2, Virtual Coworks, No. 128-129, PU 4, Scheme No. 54, Indore, Indore, Madhya Pradesh, 452010	Branch Office	Virtual Coworks	September 12, 2023	September 15, 2023	August 14, 2024	₹.16,538/-
6	F210-223, RICCO Industrial Area, Sukher Badgaon, Udaipur, Rajasthan, 313001	Branch Office	Bhumika Enterprises Private Limited	September 13, 2023	August 23, 2023	July 22, 2024	₹.5,885/-
8	Cabin No 1, FNo 205, 8-2-644/1/205, Road No 12, Hiline Complex, Banjara Hills, Hyderabad, Telangana, 500034	Branch Office	Mohit Agarwal	July 31, 2023	August 23, 2023	July 22, 2024	₹.17,544/-
9	Cubicle Workzone LLP, F-294, Sector 63, Noida, Noida, Gautam Buddha	Branch Office	Cubicle Workzone LLP	September 01, 2023	September 03, 2023	August 02, 2024	₹.16,853/-

	Nagar, Uttar Pradesh, 201301						
10	Cabin No. 13, 3/2, 75C, Park Street, Kamdhenu Building, Park Street, Kolkata, West Bengal, 700016	Branch Office	Krisaa Office Spaces LLP	August 27, 2023	August 27, 2023	July 26, 2024	₹.16,275/- plus GST
11	Cabin No. PP – 01 Office No. 513, Progressive Point Near Lalpur Fruit Market, Raipur, Chhattisgarh, 492001	Branch Office	Sjain Ventures Limited	September 01, 2023	September 23, 2023	August 22, 2024	₹.13,781/-
12	Cabin No. 8, 911 & 909, 9 <sup>th</sup> Floor, Vipul Business Park, Sector-48, Sohna Road, Gurugram, Haryana – 122018	Branch Office	Allegiance Office Solutions Private Limited	June 28, 2023	July 01, 2023	June 30, 2024	₹.17,120/-
13	Work Studio Coworking, 3rd Floor, Monal Tower, Behind SBI Dispur Branch, Opp Assam Secretariat, Guwahati, Assam 781006	Branch Office	Lavero Infra Services Private Limited	September 14, 2023	September 25, 2023	August 24, 2024	₹.17,174/-
14	Cabin 14, 13th Floor, Gala Empire, Opp. T.V. Tower, Drive-In Road, Memnagar, Ahmedabad-380054	Branch Office	Gala Projects LLP Connekt	November 03, 2022	December 10, 2022	November 09, 2023	₹.18,020/-
15	Cabin 01, 229/5331 Goutam Nagar, Bhubaneswar, Odisha	Branch Office	Inter Global Securities Limited	October 20, 2022	November 16, 2022	October 15, 2023	₹. 15,000/-
16	Cabin No. 03, Plot No. 986, JLPL Industrial Area, Sec- 82, Mohali, Pin-160055 (Punjab)	Branch Office	Kamco Interiors	November 17, 2022	November 10, 2022	October 09, 2023	₹.16,050/-
17	303, Asha Mansion, Bailey Road, IAS Colony, Near Alankar Maruti Showroom, Danapur Cantt Colony, Patna Bihar 801503	Branch Office	Asha Sinha	December 01, 2022	December 01, 2022	October 31, 2023	₹. 15,000

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of logistics. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, 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. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page number 192 of this Red Herring Prospectus.

### **BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS:**

#### **For Business pertaining Warehousing and Transportation:**

##### **Warehousing (Development and Regulation) Act, 2007 (the “Warehousing Act”)**

The Warehousing Act was notified and came into effect on September 19, 2007. The Warehousing Act prescribes, among other things, the form and manner of registration, development and regulation of warehouses. The Warehousing Act also provides for setting up of a Warehousing Development and Regulatory Authority (the “WDRA”) which comprises a chairman and not more than two other members. The WDRA has the duty to regulate and ensure implementation of the provisions of the Warehousing Act and promote orderly growth of the warehousing business. The powers and functions of the WDRA include, amongst others, (i) to regulate the process of pledge, creation of charges and enforcement thereof in respect of goods deposited with the warehouses; (ii) to promote efficiency while conducting the warehouse business; (iii) to promote professional organizations connected with the warehousing business; (iv) to maintain a panel of arbitrators and to nominate arbitrators from such a panel in disputes between warehouses and warehouse receipt holders; and (v) to determine the rate of, and levy, the fee and other charges for carrying out the provisions of the Warehousing Act.

##### **Warehousing Regulations, 2016**

Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016 (collectively, the “Warehousing Regulations”) govern the issue of public, private and special warehouse licenses to different categories of applicants. The Warehousing Regulations stipulate the conditions for grant of warehouse licenses and also set out other requirements in relation to validity, surrender and transferability of the said licenses.

##### **Carriage by Road Act, 2007**

Carriage by Road Act, 2007 came into force on March 1, 2011 superseding the erstwhile Carriers Act, 1865. The Carriage by Road Rules, 2011 came into force on the same day. This Act provides for the regulation of common carriers, limiting their liability and declaration of value of goods delivered to them to determine their liability for loss, or damage to, such goods occasioned by their negligence or criminal acts, their servants or agents and for incidental matters. Carriage by Road Act 2007 does not apply to the Government or private carriers. No person shall engage in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorized transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker, and courier agency engaged in 100 the door-to-door transportation of documents, goods or articles utilizing the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

##### **Motor Vehicles Act, 1988 (the “Motor Vehicles Act”)**

The Motor Vehicles Act and the rules prescribed thereunder regulate all aspects of motor vehicles in India, including licensing of drivers, registration of motor vehicles, control of motor vehicles through permits, special provisions relating

to state transport undertakings, insurance, liabilities, offences and penalties. Accordingly, the Motor Vehicles Act places a liability on every owner of, or person responsible for, a motor vehicle to ensure that every person who drives a motor vehicle holds an effective driving license. Further, the Motor Vehicles Act requires that an owner of a motor vehicle bear the responsibility of ensuring that the vehicle is registered in accordance with the provisions of the Motor Vehicles Act and that the certificate of registration of the vehicle has not been suspended or cancelled. Further, the Motor Vehicles Act prohibits a motor vehicle from being used as a transport vehicle unless the owner of the vehicle has obtained the required permits authorizing him/her to use the vehicle for transportation purposes. The Central Motor Vehicles Rules, 1989, is a set of rules prescribed under the Motor Vehicles Act, which lay down the procedures for licensing of drivers, driving schools, registration of motor vehicles and control of transport vehicles through issue of tourist and national permits. It also lays down rules concerning the construction, equipment and maintenance of motor vehicles and insurance of motor vehicles against third party risks.

### **Motor Transport Workers Act, 1961 (“MTWA”)**

The MTWA provides for the welfare of motor transport workers and to regulate the conditions of their work. It applies to every motor transport undertaking employing five or more motor transport workers. A ‘motor transport worker’ means a person who is employed in a motor transport undertaking directly or through an agency, whether for wages or not, to work in a professional capacity on a transport vehicle or to attend to duties in connection with the arrival, departure, loading or unloading of such transport vehicle and includes a driver, conductor, cleaner, station staff, line checking staff, booking clerk, cash clerk, depot clerk, time-keeper, watchman or attendant.

### **The Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 (“Legal Metrology Act”) came into force on March 1, 2011. The Legal Metrology Act provides that the units of weights and measures must be in accordance with the metric system based on the international system of units, and prohibits quotations made otherwise. The Legal Metrology (General) Rules, 2011, which came into force on April 1, 2011, also provide the detailed specifications of standard weights and measures and the standard equipment. The Legal Metrology Act regulates the trade and commerce in weights and measures, and provides for the appointment of a director, controller and other legal metrology officers, and empowers them to undertake inspection or forfeiture to ensure compliance with its provisions. The Legal Metrology Act provides for imposition of penalty on use of non-standard, or unverified weights and measures, and for making any transaction, deal or contract in contravention of the standards of weights and measures. The Legal Metrology Act allows companies to nominate a person who will be held responsible for the breach of provisions of this legislation.

### **Consumer Protection Act, 2019 (“CPA”) and rules framed thereunder**

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote 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. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing.

In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) which provides 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.

### **Sale of Goods Act, 1930 (the “Sale of Goods Act”)**

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder**

The IT Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, involving use of 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 IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The IT Act also facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and subjects us to civil liability for failure to protect sensitive personal data.

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

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

### **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:**

#### **Shops and Establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the State of NCT of Delhi, Haryana and Maharashtra, 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.

#### **Stamp Act in various states**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Governments of NCT of Delhi, Haryana and Maharashtra are empowered to prescribe or alter the stamp duty as per their need.

### **GENERAL CORPORATE LAWS:**

#### **Companies Act, 2013**

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 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. 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, winding up, voluntary winding up, and 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.

#### **The Registration Act, 1908**

The Registration Act, 1908 ("Registration Act") was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. 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 and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

### **The Indian Contract Act, 1872**

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

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

The Specific Relief Act is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

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

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. 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 honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

## **ENVIRONMENTAL LEGISLATIONS:**

### **The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exists among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

### **National Environmental Policy, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

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

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

## **The Hazardous and other Wastes (Management & Trans-boundary Movement) Rules, 2016**

Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and have been amended later in the years 2000, 2003 and with final notification of the Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules, 2008 in supersession of former notifications. The Rules lay down corresponding duties of various authorities such as Ministry of Environment and Forests, Central Pollution Control Board, State/UT Govts., State Pollution Control Boards / Pollution Control Committees, Director General of Foreign Trade, Port Authority and Custom Authority. State Pollution Control Boards/ Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handling and their disposal.

## **TAX RELATED LEGISLATIONS:**

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

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. 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, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **Goods and Services Tax Act, 2017**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

### **Professions, Trade, Callings and Employments Act in various States**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Maharashtra is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **EMPLOYMENT AND LABOUR LAWS:**

### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allow the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended by Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

- **The Minimum Wages Act, 1948**

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. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965**

The Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

- **Occupational Safety, Health and Working Conditions Code, 2019**

The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2019 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 Central Government. It proposes to subsume 13 labour 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, that concern our business. Details of these existing Acts are as follows –

- **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This law is applicable to all the establishments employing 5 or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed 5 or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

- **The Industrial Relations Code, 2020**

The Government of India enacted 'The Industrial Relations Code, 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 Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows –

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. This Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having 20 or more workers.

- **Trade Unions Act, 1926**

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

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments having 50 or more workmen employed, so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial establishment. The highlights of the Standing Orders are classification of workmen, manner of intimation to workers about work and wage related details, attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

- **The Code on Social Security, 2020**

The Government of India 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 Central Government. It proposes to subsume 9 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 and the Payment of Gratuity Act, 1972. The relevant laws that the code shall subsume, are currently as follows –

- **Employee’s Compensation Act, 1923**

The Employees’ Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employee’s Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employee’s Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 days of death/serious bodily injury.

- **Employee’s State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and ‘employment injury’ and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employees’ State Insurance Corporation.

- **Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)**

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 an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees' Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act 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 10 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.

- **Payment of Gratuity Act, 1972**

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 10 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 10 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. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

- **The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991**

The Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under this Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

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

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 constitute an "Internal Complaints Committee" and every officer and member of the Committee 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.

- **Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")**

The "CLPR Act seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002**

The Act is 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 anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Transfer of Property Act, 1882, etc. are also applicable to the Company.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally formed and registered on August 24, 2007 as a private limited Company in the name and style of “M/s Kaushalya Buildcon Private Limited” (CIN: U45400DL2007PLC167397), Further, the name of our Company was changed from M/s Kaushalya Buildcon Private Limited to M/s Kaushalya Logistics Private Limited with effect from August 16, 2016 and a new Certificate of Incorporation in the new name was received from the ROC. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on March 15, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “M/s Kaushalya Logistics Private Limited” to “M/s Kaushalya Logistics Limited” vide a fresh Certificate of Incorporation dated May 01, 2023 issued by the Registrar of Companies, Delhi, bearing CIN U45400DL2007PLC167397.

### Business and Management

For a description of our activities, services, technology, the growth of our Company and regional geographical segment in which our Company operates, please refer to chapters titled “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 89, 81, and 178 of this RHP, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 115 of this RHP.

### Changes in Registered Office

Sr. No.	Registered Office		With Effect From	Reason for Change
	Shifted From	Shifted To		
1.	A-20, Chander Vihar, IP Extn. Patparganj, New Delhi-10092	307, Surya Complex, 21, Veer Savarkar Block, Vikas Marg, Shakarpur, New Delhi-110092	November 12, 2007	To increase Operational Efficiency
2.	307, Surya Complex, 21, Veer Savarkar Block, Vikas Marg, Shakarpur, New Delhi-110092	11K Gopala Tower, 25 Rajendra Place, New Delhi, 110008	April 03, 2010	To increase Operational Efficiency
3.	11K Gopala Tower, 25 Rajendra Place, New Delhi- 110008	S-9, First Floor, Okhla Industrial Area Phase-II, New Delhi-110020	May 15, 2012	To increase Operational Efficiency
4.	S-9, First Floor, Okhla Industrial Area Phase-II, New Delhi-110020	19, Community Centre, First and Second Floor, East of Kailash, Delhi 110065	July 03, 2017	To increase Operational Efficiency

### Main Objects as set out in the Memorandum of Association of the Company

The Main object clause of the Company as per Memorandum of Association is as under:

1. To carry on business of construction of residential houses, commercial buildings, flats and factory’s sheds and building in or outside of India and to act as builders, colonizers and civil and constructional contractors and to purchase take or lease or hire or otherwise sell any estates, lands, buildings easements or such other interest in any immovable property and to develop and turn to account by laying out plotting and preparing the same for building purposes, constructing building, furnishing, fitting up and improving buildings.
2. To buy, exchange or otherwise an interest in any immovable property such as houses buildings and lands with or outside the limits of Municipal Corporation or such other local bodies and to provide roads, drains, water supply, electricity and lights within this areas to divide the same into suitable plots and rent or sell the plots to the peoples for building houses, bungalows and colonies for workmen according to the schemes approved by improvements Trusts Developments Boards and Municipal Boards and to rent or sell the same to the otherwise to start any housing scheme in India or abroad.
3. To act as an agent for purchasing, selling and letting on hire, land and houses whether multistoried, commercial and/or residential buildings on commissions basis and to construct, maintain, erect and layout road, sewers drains, electricity lines, cables and gas lines, in over and under the Company or person or body-corporate.
4. To construct, execute, carryout, equip, maintain, improve, develop and civil and constructional work relating to roads, electric, power transmission lines heat and light supply works, construction/lying of pipelines, fabrication of tunnels in old fields, hotels, building, godowns, parks, gardens, docks, embankments, bunds, bridges, whaves,

canals, irrigations, reclamations, improvement, sewage, sanitary telegraphic, telephone works, warehouses, markets, public buildings and all other such civil and related constructional works and convenience of utility.

5. To carry on the business including that of clearing and forwarding agents, commissions agents and bunkering agents, logistics services, material management, transportation, warehousing distribution and marketing of goods and services and provide storage and protection of goods against rain, fire and other natural calamities.
6. To carry on the business of consultancy services of supplying of Manpower to different organization, firms, companies and other management, enter into agreement with other managements, conducting interviews, selection, recruiting the personnel, training, placement, of selected personnel in and abroad, arranging passport for the convenient of the personnel and provide all other management services.
7. To carry on in India and abroad the business of marketing and trading of all varieties of goods, products, rendering services through E-Commerce, internet advertising, mobile internet, online content and off line conventional business through all means.
8. To carry on whether in India or abroad and whether as principals, franchises, agents, owners, proprietors, managers, contractors, consultants, advisors, investors, partners, joint venture partners or otherwise the business of establishing, maintaining and operating an online market- place and being an enabler of any and all forms of commerce including without limitation by providing logistics, warehousing, back-office services, customer relationship management, technology licensing, brand licensing, services, hosting, content of all forms, information delivery, payment systems including payment gateways, advertising developing, procuring, marketing, assigning and licensing intellectual property rights of all kinds including software, technology, copyrights.
9. To carry on the business of online service of buying, selling and dealing in various kinds of publications including books, magazines, periodicals, journals and various types of goods and commodities and develop websites for online services of buying selling and dealing in various kinds of publications including books, magazines in India or elsewhere in the world.

#### Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

##### • Name Clause

Sr. No.	Date of Name Change	Particulars
1.	August 16, 2016	The name of our company was changed from “Kaushalya Buildcon Private Limited” to “Kaushalya Logistics Private Limited”.
2.	May 01, 2023	The name of our company was changed from “Kaushalya Logistics Private Limited” to “Kaushalya Logistics Limited”.

##### • Change In Object Clause

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	August 05, 2016	Extra Ordinary General Meeting	The Company has adopted new set of Memorandum of Association in accordance with the provisions of the Table-A of the Schedule I of the Act.
2.	October 21, 2021	Extra Ordinary General Meeting	The Company has amended Clause III of Memorandum of Association and following clauses have been inserted after clause 6: <ol style="list-style-type: none"> <li>7. To carry on in India and abroad the business of marketing and trading of all varieties of goods, products, rendering services through E-Commerce, internet advertising, mobile internet, online content and off line conventional business through all means.</li> <li>8. To carry on whether in India or abroad and whether as principals, franchises, agents, owners, proprietors, managers, contractors, consultants, advisors, investors, partners, joint venture partners or otherwise the business of establishing, maintaining and operating an online market- place and being an enabler of any and all forms of commerce including without limitation by providing logistics,</li> </ol>



			warehousing, back-office services, customer relationship management, technology licensing, brand licensing, services, hosting, content of all forms, information delivery, payment systems including payment gateways, advertising developing, procuring, marketing, assigning and licensing intellectual property rights of all kinds including software, technology, copyrights.
			9. To carry on the business of online service of buying, selling and dealing in various kinds of publications including books, magazines, periodicals, journals and various types of goods and commodities and develop websites for online services of buying selling and dealing in various kinds of publications including books, magazines in India or elsewhere in the world

#### • Authorized Capital

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	June 16, 2010	Extra Ordinary General Meeting	The authorized share capital of ₹1,00,000/- consisting of 10,000 Equity shares of ₹10 each was increased to ₹12,00,000/- consisting of 1,20,000 Equity shares of ₹10/- each.
2.	May 26, 2011	Extra Ordinary General Meeting	The authorized share capital of ₹12,00,000/- consisting of 1,20,000 Equity shares of ₹10/- each was increased to ₹15,00,000/- consisting of 1,50,000 Equity shares of ₹10/- each
3.	March 15, 2023	Extra Ordinary General Meeting	The authorized share capital of ₹15,00,000/- consisting of 1,50,000 Equity shares of ₹10/- each was increased to ₹25,00,00,000/- consisting of 2,50,00,000 Equity shares of ₹10/- each.

#### Amendments to the Articles of Association

Our Company adopted new set of Articles pursuant to conversion of the Company into “Public Limited” as approved by special resolution passed in the Extra-Ordinary General Meeting held on March 15, 2023, in terms of Companies Act, 2013,

#### Acquisition or divestments of business/undertakings, mergers and amalgamations

Our Company neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation since Incorporation.

#### Strategic Partners

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

#### Financial Partners

Our Company is not having any financial partner as on the date of filing this RHP.

#### Time and Cost Overruns

As on the date of this RHP, there have been no time and cost overruns pertaining to our business operations.

#### Launch of key products or services, Capacity and Capacity Utilisation, entry in new geographies or exit from existing markets

For details pertaining to our services, capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled “Our business” on page 89 of this RHP.

#### Injunctions or Restraining Orders

As on the date of this RHP, there are no injunctions or restraining orders against our Company.

**Changes in the activities of our Company in the last Five years**

In addition to our original business of acting as clearing and forwarding agents, our Company has entered into the business of leasing of shops in commercial spaces for rentals from 2021 onwards and has also started e-commerce business on of a major online e-commerce platform in January 2022.

**Defaults or rescheduling of borrowings of our Company with Financial Institutions/Banks**

There have been no defaults or rescheduling of borrowings or conversion of loans into equity with any financial institutions/banks in relation to our Company as on the date of this RHP.

**Revaluation of assets**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares by capitalizing any revaluation reserves.

**Subsidiaries and Holding Company**

Our Company neither has a Holding company nor has any Subsidiary Company as on the date of this RHP.

**Joint Ventures**

Our Company has not entered into any joint-ventures as on the date of this RHP.

**Shareholders' Agreements**

Our Company has not entered into any Shareholders' agreement as on the date of this RHP.

**Other Agreements**

Our Company has not entered into any agreements other than those entered into in the ordinary course of business with Key Managerial Personnel or Directors or Promoters or any other employee of the Issuer, either by themselves or on behalf of any other person and there are no other material agreements on the date of this RHP, except for those as declared as Material Contracts in this RHP.

## OUR MANAGEMENT

Our Company currently has 5 (Five) directors on our Board out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive & Non-Independent Director and 2 (Two) Independent Directors.

1. Uddhav Poddar - Managing Director
2. Ram Gopal Choudhary - Non- Executive and Non-Independent Director
3. Sunira Chamaria - Non- Executive and Non-Independent Director
4. Uma Verma- Independent Director
5. Narendra Kumar Somani- Independent Director

### 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 RHP:

Sr. No.	Name, Father's Name, DOB, Age, Qualification, Experience, Address, Nationality, Occupation, DIN No.	Date of Appointment /Re-appointment, Term	Shareholding	Remuneration per annum (Rs.) From 2022-23	Directorship in other Companies
1	<p>Mr. Uddhav Poddar</p> <p>S/o Mr. Gauri Shankar Poddar</p> <p>DOB: July 10, 1981</p> <p>Age: 41 yrs</p> <p>Qualification: B.Com</p> <p>Experience: 15 years</p> <p>Address: Ea-504, Greater Kailash Part-II, South Delhi, Delhi- 110048 IN</p> <p>Nationality: Indian</p> <p>Occupation: Business</p> <p>DIN: 00886181</p>	<p>Originally appointed on the Board w.e.f. February 10, 2016</p> <p>Designated as Managing Director in EGM dated June 12, 2023 for a period of 5 years.</p>	48,12,650 Shares (31.77%)	NIL	<p>1. Bhumika Projects Limited.</p> <p>2. MC Realcon Private Limited.</p> <p>3. Bhumika Highstreet India Private Limited.</p> <p>4. Bhumika Shopping Centre India Private Limited.</p> <p>5. Bhumika Enterprises Private Limited.</p> <p>6. Bhumika Realty Private Limited.</p> <p>7. KFL Infra And Logistics Private Limited</p> <p>8. Anubhav Minerals Private Limited.</p> <p>9. Uddhav Properties Limited.</p> <p>10. PHD Chamber Of Commerce And Industry</p>

2	<p>Mr. Ram Gopal Choudhary</p> <p>S/o Gangadhar Chowdhary</p> <p>DOB: June 01, 1951</p> <p>Age: 71 years</p> <p>Qualification: B.Sc and BE(Mech)</p> <p>Experience: 40years</p> <p>Address: House No-36, Ground Floor M2K White House, Sector-57, Gurgaon, Sadar Bazar, Haryana – 122001</p> <p>Nationality: Indian</p> <p>Occupation: Business</p> <p>DIN: 06637502</p>	<p>Originally appointed on the Board w.e.f November 30, 2021</p> <p>Liable to retire by rotation</p>	NIL (0%)	NIL	<ol style="list-style-type: none"> <li>1. Bhumika Projects Limited.</li> <li>2. MC Realcon Private Limited.</li> <li>3. Bhumika Highstreet India Private Limited.</li> <li>4. Bhumika Shopping Centre India Private Limited.</li> <li>5. Bhumika Enterprises Private Limited.</li> <li>6. Bhumika Realty Private Limited.</li> <li>7. Anubhav Minerals Private Limited.</li> <li>8. Uddhav Properties Limited.</li> </ol>
3.	<p>Mrs. Sunira Chamaria</p> <p>D/o: Gouri Shankar Poddar</p> <p>DOB: July 26, 1970</p> <p>Age: 52 Years</p> <p>Qualification: Graduate</p> <p>Experience: Approximately 20 years</p> <p>Address: 2 No. Rowland Road, L.R. Sarani, Kolkata, West Bengal – 700020 IN</p> <p>Nationality: Indian</p> <p>Occupation: Business</p> <p>DIN: 00027894</p>	<p>Originally appointed on the Board w.e.f November 30, 2021</p> <p>Liable to retire by rotation</p>	NIL (0%)	NIL	<ol style="list-style-type: none"> <li>1. Sunira Food Products Private Limited</li> <li>2. Super Infra Structure Private Limited</li> <li>3. Accurate Real Estates Private Limited</li> <li>4. Genext Properties Private Limited</li> <li>5. Savita Nirman Private Limited</li> </ol>
4.	<p>Mrs. Uma Verma</p> <p>D/o Mr. Mohan Adhikari</p> <p>DOB: February 09, 1976</p>	<p>Appointed as a Non-Executive Independent Director in EGM on June 12, 2023</p>	NIL	NIL	NIL

	Age: 45 years  Qualification: M.Com and LLB  Experience: 22 years  Address: H.NO. C-621, CHAUDHARY AARA MACHINE, DABUA COLONY, Faridabad, Haryana – 121001, India  Nationality: Indian  Occupation: Professional  DIN: 10197376	for a period of 5 years			
5.	Mr. Narendra Kumar Somani  S/o Bhanwarlal Somani  DOB: November 08, 1952  Age: 71 years  Qualification: C.A  Experience: 48 years  Address: S-70 Greater Kailash-1, South Delhi, Delhi-110048  Nationality: Indian  Occupation: Professional DIN: 00407263	Appointed as a Non-Executive Independent Director in AGM on July 21, 2023 for a period of 5 years	NIL	NIL	1. Auditek Systems (India) Limited

#### **Brief Profile of Directors:**

1. **Uddhav Poddar** aged 41 years, is a Promoter and Managing Director of our Company. He has completed his Bachelor of Commerce from Delhi University. He oversees managerial and operational functions of entire group since last 15 years. He is also the supreme authority in all operational, financial and marketing proposals by the teams. His major roles include administering business strategies to streamline company growth and ensure smooth running of existing operations. FORBES India in one the recent edition featured him as a rising star in the Real Estate Industry building his own legacy. He also chairs the committee for North India of SCAI. Dainik Bhasker featured him as “100 Change Makers in Udaipur”, while Reality Plus chose him as “Real Estate top 100 influencers and top COX’s”. He is esteemed member of the managing committee in PHDCCI (PHD Chamber of Commerce & Industry). The youngest speaker and the only one from the real estate industry to be invited to speak at the 5th edition of UAE – India Economic Forum in Dubai. He is also the founding member of SCAI (Shopping Center Association of India), a non-profit organization set up to engage and encourage the overall grown of shopping

center industry in India.

2. **Ram Gopal Choudhary** aged 71 years, is a director of our Company. He has completed his Bachelor of Science and Mechanical Engineering from Birla Institute of Technology, Mesra, Ranchi, in the year 1972. He possesses more than 4 decades of experience in Plant Operations and other allied activities. He oversees the Company Logistics operations. His responsibilities include acting as a mediator between other Directors and Company team heads. He supervises all client interactions and manages the client relations.
3. **Sunira Chamaria** has vast experience as an entrepreneur and director of many companies. She has been involved in various startups and social organisations. She was also Chairperson of FICCI FLO (Women Wing of FICCI) Kolkata Chapter for the period 2020-21. Currently she is a director in five private limited companies involved in various sectors, other than our Company. She is also a designated Partner in Abundant Properties LLP.
4. **Uma Verma** aged 47 years, is a Non-Executive and Independent Director of our Company. She is an Associate Member of Institute of Company Secretaries of India, Registered Independent Director in IICA and Trainer for POSH Committee in various companies. She has completed her Bachelor of Commerce in the year 1975 from Jamia Millia Islamia, Delhi and Masters of Commerce from University of Delhi in 1978 also Bachelor of Laws. She has more than 22 years of experience in the field of corporate secretarial, Finance and her major role in the company is as an advisor to every executive resolution and marketing decisions taken by the Board of Directors. She provides consultancy to the clients in the role of a Relationship Advisor.
5. **Narendra Kumar Somani** aged 71 years, is a Non-Executive and Independent Director of our Company. He is an Associate Member of Institute of Chartered Accountants of India since 1975. He has more than 48 years of experience in the field of Chartered Accountancy and has acted as Statutory Auditor for many companies.

#### **Confirmations:**

As on the date of this RHP:

- a) None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this RHP with the Stock Exchange, during the term of his/ her directorship in such company.
- b) Further, none of the Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- c) None of the Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

**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 March 15, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have been 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 ₹ 200 crores (Rupees Two Hundred Crores Only).

**Compensation of our Managing Director and Executive Director**

The compensation payable to our Managing Director and Executive Director will be governed as per the terms of their Appointment Letters and shall be subject to the provisions of Sections 2(54), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

**The following compensation has been approved for Managing Director****Terms and conditions of employment of our Managing Director and other Whole Time Directors:**

**Uddhav Poddar** has been appointed as Managing Director of our Company in the Extra-Ordinary General Meeting of the company held on June 12, 2023 for a period of Five (5) years commencing from July 20, 2023.

**The remuneration payable is as follows:**

<b>Name</b>	Uddhav Poddar
<b>Date of Agreement</b>	March 13, 2023
<b>Period</b>	Five (5) years commencing from March 07, 2023
<b>Salary</b>	₹2,00,000/- per month
<b>Remuneration paid in FY 2022-23</b>	NIL

**Bonus or Profit Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our Directors.

**Sitting Fees:**

We have not paid any sitting fees to our Independent Directors till the date of this RHP.

**Shareholding of our Directors as on the date of this RHP:-**

Sr. No.	Name of the Directors	No. of Shares Held	Holding in %
1.	Uddhav Poddar	48,12,650	31.77
2.	Ram Gopal Choudhary	NIL	NIL
3.	Sunira Chamaria	NIL	NIL
	<b>Total</b>	48,12,650	31.77

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this RHP. Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** on page 171 of this RHP.

Except as stated otherwise in this RHP, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the RHP 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 – Note 31 - Related Party Disclosure"*** beginning on page 115 and 142 respectively of this RHP, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

**Interest in the properties of our Company**

Our Company has purchased 18 shops from our Group Company Bhumika Enterprises Private Limited (BEPL). For this purchase our Company had taken loans from various banks/ financial institutions and mortgaged the concerned shop against the respective loan taken from the lenders. Our Promoters namely Uddhav Poddar and Bhumika Realty Private Limited (BRPL) have also provided his/their personal / corporate guarantees for procuring these loans and/or have acted as co-applicant/co-borrower for such loans.

**Changes in Board of Directors in Last 3 Years**

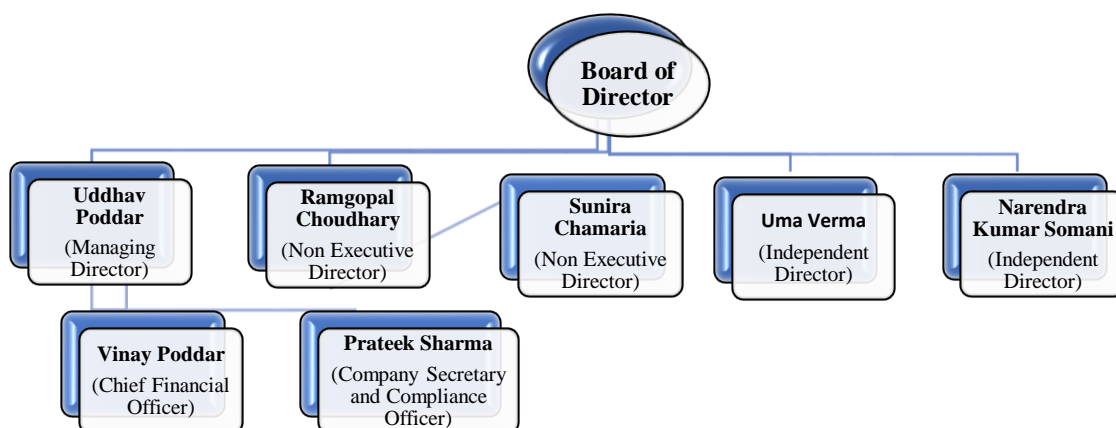
Name of Directors	Date of Appointment / Regularization	Nature of change	Date of Change in Designation / Cessation	Reasons for changes in the Board
Narendra Kumar Somani	July 21, 2023	Appointment		Appointed as Additional Independent Director
Uddhav Poddar	June, 12 2023(Board) July 21, 2023(EGM)	Change in Designation	June 12, 2023	Appointed as Managing Director
Uma Verma	June 12, 2023	Appointment	-	Appointed as Additional Independent Director
Ram Gopal Choudhary	-	Change in Designation	November 30, 2021	Regularization as Non-Executive Director



Name of Directors	Date of Appointment / Regularization	Nature of change	Date of Change in Designation / Cessation	Reasons for changes in the Board
Narendra Kumar Somani	July 21, 2023	Appointment		Appointed as Additional Independent Director
Sunira Chamaria	-	Change in Designation	November 30, 2021	Regularization as Non-Executive Director
Kanishka Jain	-	Cessation	November 30, 2021	Resigned as Director
Sunira Chamaria	November 29, 2021	Appointment	-	Appointed as Additional Director
Mohan Singh Chundawat	March 30, 2021	Appointment	-	Appointed as Additional Director
Ram Gopal Choudhary	August 04, 2021	Appointment	-	Appointed as Additional Director
Mohan Singh Chundawat	-	Cessation	August 04, 2021	Resigned as Additional Director

### **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 (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Emerge Platform of NSE. The requirements pertaining to constitution of the committees such as the Audit Committee, Nomination and Remuneration Committees and Stakeholders Relationship Committee have been complied with.

Our Board has been constituted in compliance with the Companies Act 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 Five (5) directors of which two (2) are Independent Directors, and we have one women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

#### 1. Audit Committee

Our Company has formed an Audit Committee (“Audit Committee”), vide Board Resolution dated July 26, 2023, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

Name of the Director	Designation	Status in Committee
Mrs. Uma Verma	Independent Director	Chairman
Mr. Narendra Kumar Somani	Independent Director	Member
Mr. Ramgopal Choudhary	Director	Member

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit committee shall be called by a least seven days’ notice in advance. Any member of the audit committee may be removed or replaced at any time by the Board. Any member of the committee ceasing to be the Director shall be ceased to be the member of the audit Committee.

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

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.

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 the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Reviewing and monitoring the statutory auditor’s independence and performance, and effectiveness of audit process;
- 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;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and vii. Qualifications and modified opinions in the draft

audit report.

- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ RHP/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; (m) 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) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.
- 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the audit committee shall mandatorily review the following information:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses; and
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 6) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to

stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations.

- b. annual statement of funds utilized for purposes other than those stated in the offer document/RHP/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## 2. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178, Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated July 26, 2023. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Designation	Status in Committee
Mr. Narendra Kumar Somani	Independent Director	Chairman
Mrs. Uma Verma	Independent Director	Member
Mr. Ramgopal Choudhary	Director	Member

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** 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:** The committee shall meet as and when the need arises for review of Managerial Remuneration, subject to atleast one meeting 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. Meeting of the nomination and remuneration committee shall be called by a least seven days' notice in advance. The Chairman of the nomination and remuneration committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration.

**C. 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) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of external agencies, if required,
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity, and
  - c. consider the time commitments of the candidates;
- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;

- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

### 3. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178(5) and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated July 26, 2023. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Designation	Status in Committee
Mr. Ramgopal Choudhary	Non - Executive Director	Chairman
Mr. Narendra Kumar Somani	Independent Director	Member
Mr. Uddhav Poddar	Executive Director	Member

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:** 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:** The Stakeholders Relationship Committee shall meet at least once a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- 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 and Companies Act, 2013 shall be as under:
  - 1) 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) 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) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
  - 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
  - 6) To approve, register, refuse to register transfer or transmission of shares and other securities;
  - 7) To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
  - 8) Allotment and listing of shares;
  - 9) To authorize affixation of common seal of the Company;

- 10) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- 11) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- 12) To dematerialize or rematerialize the issued shares;
- 13) Ensure proper and timely attendance and redressal of investor queries and grievances;
- 14) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- 15) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- 16) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law

#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading:**

The provisions of Regulation 8 and 9 of the SEBI (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 SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted 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 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, other than our directors is provided below:

<b>Name, Designation &amp; Educational Qualification</b>	<b>Age (Years)</b>	<b>Date of joining</b>	<b>Compensation paid for F.Y. ended 2022-23 (in Rs. Lakhs)</b>	<b>Overall experience (in years)</b>	<b>Previous employment</b>
Uddhav Poddar Designation: Chairman & Managing Director Qualification: B.Com Delhi University	41 years	February 10, 2016		15 years	NIL
Prateek Sharma Designation: Company Secretary and Compliance Officer Qualification: B. Com Bikaner University, Company Secretary From ICSI	37 years	June 12, 2023	NIL	9 years	Rungta Irrigation Limited.
Vinay Kumar Poddar Designation: Chief Financial Officer Qualification: Chartered Accountant From ICAI	53 years	June 12, 2023	NIL	26 years	NIL

#### **BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**

**Uddhav Poddar** aged 41 years, is a Promoter and Managing Director of our Company. He has completed his Bachelor of Commerce from Delhi University. He oversees managerial and operational functions of entire group since last 15 years. He is also the supreme authority in all operational, financial and marketing proposals by the teams. His major roles include administering business strategies to streamline company growth and ensure smooth running of existing operations. FORBES India in one the recent edition featured him as a rising star in the Real Estate Industry building his

own legacy. He also chairs the committee for North India of SCAI. Dainik Bhasker featured him as “100 Change Makers in Udaipur”, while Reality Plus chose him as “Real Estate top 100 influencers and top COX’s”. He is esteemed member of the managing committee in PHDCCI (PHD Chamber of Commerce & Industry). The youngest speaker and the only one from the real estate industry to be invited to speak at the 5th edition of UAE – India Economic Forum in Dubai. He is also the founding member of SCAI (Shopping Center Association of India), a non-profit organization set up to engage and encourage the overall growth of shopping center industry in India.

**Mr. Prateek Sharma** is the Company Secretary and Compliance officer of our Company. He is a qualified Company Secretary from Institute of Company Secretaries of India. He has 9 years of experience in the field of secretarial matters. He looks after the overall corporate governance and secretarial matters of our Company. He has been designated as Company Secretary and Compliance Officer of our Company with effect from June 12, 2023.

**Mr. Vinay Kumar Poddar** is the Chief Financial Officer of our Company. He is a Chartered Accountant. He is associated with our Company since March 21, 2023. He has over 26 years of experience in Accounts, Finance and Taxation field. He has been designated as Chief Financial Officer of our Company with effect from June 12, 2023.

**We confirm that:**

- A. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- B. 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.
- C. None of our KMPs except Mr. Uddhav Poddar are also part of the Board of Directors.
- D. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March, 2023.
- E. 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.
- F. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- G. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this RHP except as under:

Sr. No.	Name of the KMP's	No. of Shares held
1	Uddhav Poddar	48,12,650
	<b>Total</b>	48,12,650

- a. Presently, we do not have ESOP/ESPS scheme for our employees.
- b. 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.	Mr. Uddhav Poddar/	Brother of Sunira Chamaria
2.	Mrs. Sunira Chamaria	Sister of Uddhav Poddar

**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 KMP	Designation	Date of Change	Reasons
1.	Uddhav Poddar	Chairman & Managing Director	February 10, 2016	Appointed as Whole-time Director



2.	Vinay Kumar Poddar	Chief Financial Officer	June 12, 2023	Appointed as Chief Financial Officer
3.	Prateek Sharma	Company Secretary and Compliance Officer	June 12, 2023	Appointed as Company Secretary and Compliance Officer

### **Interest of Our Key Managerial Persons**

Apart from the shares held in the Company (by MD) 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, if any. None of our key managerial personal are interested in our Company. For details, please refer section titled *"Financial information of the Company – Note 31 - Related Party Disclosures"* beginning on page 142 of this RHP.

### **Interest in the property of our Company**

Our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this RHP or proposed to be acquired by us as on date of filing the 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 31 – Related Party Disclosure"* page 142 of this RHP.

### **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, we do not have any ESOP/ESPS Scheme for our employees.

### **Payment of benefits to officers of Our Company (non-salary related)**

Except as disclosed in this RHP 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 superannuation, ex-gratia/rewards in the last 2 years.

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.




## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Uddhav Poddar, Uddhav Poddar (HUF) and Bhumika Realty Private Limited. As on date of this RED HERRING PROSPECTUS, our Promoters, Uddhav Poddar holds 48,12,650 Equity shares of our Company, representing 31.77% of the pre-offer paid-up Equity Share capital of our Company; Uddhav Poddar (HUF) holds 15,15,000 equity shares of our company representing 10% of the pre-offer paid-up equity share capital of the company; Bhumika Realty Private Limited holds 29,79,500 equity shares of our company representing 19.67% of the pre-offer paid-up equity share capital of the company. For details of the build-up of the Promoters' shareholding in our Company, please refer "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on page 57 of this RED HERRING PROSPECTUS.

### Details of individual Promoters:

#### 1. Uddhav Poddar

	<p><b>Uddhav Poddar</b> aged 41 years, is the Managing Director of our Company.</p> <p><b>Date of Birth:</b> July 10, 1981</p> <p><b>Personal Address:</b> E-504, Greater Kailash Part-II, New Delhi - 110048.</p> <p><b>Permanent Account Number:</b> AGHPP0003F</p> <p>For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled "Our Management" beginning on page no. [●] of this DRHP.</p>
---	--

### Details of Corporate Promoters/Entity:

#### 2. Bhumika Realty Private Limited

Bhumika Realty Private Limited (BRPL) BRPL was incorporated on May 10, 1999 under the provisions of Companies Act, 1956. The Registered Office of BRPL 19, Community Centre, Second Floor, East of Kailash, New Delhi -110065. The CIN of BRPL is U74300DL1999PTC099684. The PAN of BRPL is AABC10185L. The Company is engaged in the business of Interior and Exterior Decoration and Painting and Furnishing, as empowered by the Memorandum of Association of the Company.

#### Board of Directors

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Uddhav Poddar	Director	00886181
2.	Ram Gopal Choudhary	Director	06637502

#### Promoters of BRPL:

Uddhav Poddar is the Promoter of BRPL.

#### Shareholding of BRPL:

List of shareholders of Bhumika Realty Private Limited as on date of the RHP

Sl. No.	Name of the Shareholders	No. of shares	% of Holding
1.	Shri Uddhav Poddar	507080	43.89
2.	Uddhav Poddar (HUF)	30	0.00
3.	Mrs. Bhumika Poddar	30	0.00
4.	Master Shiven Poddar	104755	9.07
5.	Master Vedant Poddar	106495	9.22
6.	M/s Anubhav Minerals Private Limited	282155	24.43
7.	M/s Kaushalya Logistics Limited	154728	13.39
		<b>1155273</b>	<b>100</b>

### **Change in Management and Control of BRPL:**

There has been no change in management and control of BRPL in the 3 years preceding the date of Red Herring Prospectus.

### **3. Uddhav Poddar (HUF)**

#### **HUF Information and history:**

Uddhav Poddar (HUF), came into existence on January 23, 2006 and Uddhav Poddar is its Karta and Bhumika Poddar, Shiven Poddar and Vedant Poddar as its coparceners.

As on the date of this Red Herring Prospectus, Uddhav Poddar (HUF) holds 15,15,000 Equity Shares, representing 10% of the issued, subscribed and paid-up equity share capital of our Company.

PAN: AAAHU6383A

Address- E-504, Greater Kailash Part-II, New Delhi-110048

### **Confirmations/Declaration:**

In relation to our Promoters, our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to the Stock Exchange 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 stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Companies and Companies 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 Companies and Companies 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 companies and Companies promoted by the Promoters are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 186 of this RED HERRING PROSPECTUS.
- None of our Promoters, persons in control of our Company are or have ever been a Promoters, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### ***Interest of our Promoters***

#### ***i. Interest in promotion and shareholding of Our Company***

Our Promoters is interested in our Company to the extent of the promotion of our Company and to the extent of his shareholding, his position of Managing Director in our Company and the shareholding of his relatives in our Company and the dividend declared and due, if any, and employment related benefits, if any, paid by our Company. For further details, please refer chapters titled “*Capital Structure*” and “*Our Management*” beginning on pages 57 and 115, respectively of this RHP. For further details, please refer chapters titled “*Capital Structure - Shareholding of our Promoters and Promoter Group*” beginning on page 57 and “*Financial Statements*” on page 142, respectively of this RHP.

Though our one of our Promoter is a Director and a Shareholder of one namely Promoter Group company, namely, Anubhav Minerals Private Limited which has shareholding in our Company, no sum has been paid or agreed to be paid

to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

**ii. Interest in the properties of our Company**

Our Company has purchased 18 shops from our Group Company Bhumika Enterprises Private Limited (BEPL). For this purchase our Company had taken loans from various banks/ financial institutions and mortgaged the concerned shop against the respective loan taken from the lenders. Our Promoters Uddhav Poddar and Bhumika Realty Private Limited (BRPL) have also provided his/their personal / corporate guarantees for procuring these loans and/or have acted as co-applicant/co-borrower for such loans.

**iii. In transactions for acquisition of land, construction of building and supply of machinery**

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the RHP, except for the purchase of 18 shops in the Mall, Urban Square, which are owned and developed by our Group Company named Bhumika Enterprises Private Limited.

**iv. Interest as members of our Company**

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled “*Capital Structure*” beginning on page 57 of this RHP.

No sum has been paid or agreed to be paid to our Promoters and they are not interested as member of any firm or any company to which any sum has been paid or agreed to be paid in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

**v. Other Interests**

Our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

**Payment of 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 115. Also refer Note 28 on “*Related Party Transactions*” on page 142 forming part of “*Financial Information of the Company*” and Paragraph on “*Interest of Promoters*” in chapter titled “*Our Promoters and Promoter Group*” on page 129 of this Red Herring Prospectus.

**Details of Companies / Firms from which our Promoters have disassociated**

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this RHP.

**Other ventures of our Promoters**

Other than as disclosed in this section, our Promoters is not involved in any other ventures.

**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 186 of this Red Herring Prospectus.

**Material Guarantees**

Sl. No.	Name of the Guarantor	Name of the Borrower	Loan for which Guarantee given	Amount of the Loan
1	Uddhav Poddar	Kaushalya Logistics Limited	ICICI Bank- Drop Line Overdraft	600.70

2	Uddhav Poddar	Kaushalya Logistics Limited	ICICI Bank- Overdraft	800.00
3	Uddhav Poddar and Bhumika Realty Private Limited	Kaushalya Logistics Limited	ICICI Bank- Working Capital Term Loan	700.00
4	Uddhav Poddar	Kaushalya Logistics Limited	ICICI Bank- Rupee Term Loan	830.80
5	Uddhav Poddar	Kaushalya Logistics Limited	ICICI Bank- Emergency Credit Line	96.00
6	Uddhav Poddar	Kaushalya Logistics Limited	ICICI Bank- Rupee Term Loan	72.82
7	Uddhav Poddar and Bhumika Realty Private Limited	Kaushalya Logistics Limited	HDB Financial Services- Working Capital Term Loan	357.00
8	Uddhav Poddar and Bhumika Realty Private Limited	Kaushalya Logistics Limited	HDB Financial Services- Working Capital Term Loan	154.00
9	Uddhav Poddar and Bhumika Realty Private Limited	Kaushalya Logistics Limited	HDFC Bank- Term Loan	1,900.00
10	Uddhav Poddar	Kaushalya Logistics Limited	LIC Housing Finance- Term Loan	560.00
11	Uddhav Poddar	Kaushalya Logistics Limited	LIC Housing Finance- Term Loan	109.00
12	Uddhav Poddar	Kaushalya Logistics Limited	Siemens Financial Services- Refinance for DG Set	32.00
13	Uddhav Poddar	Kaushalya Logistics Limited	Siemens Financial Services- Refinance for DG Set	89.00
14	Uddhav Poddar and Bhumika Realty Private Limited	Kaushalya Logistics Limited	YES Bank Limited- Term Loan	129.60
15	Kaushalya Logistics Limited	Bhumika Enterprises Private Limited	Aditya Birla Capital- Term Loan	5,000.00
16	Kaushalya Logistics Limited	Bhumika Enterprises Private Limited	TATA Capital Financial Services Limited- Term Loan and Working Capital Demand Loan	1,500.00
17	Kaushalya Logistics Limited and Uddhav Poddar	Bhumika Enterprises Private Limited	ICICI Bank- Corporate Term Loan	3,000.00
18	Uddhav Poddar	Bhumika Highstreet India Private Limited	ICICI Bank- Overdraft	500.00
19	Uddhav Poddar	Bhumika Highstreet India Private Limited	Dropline Overdraft	1,000.00

#### **Experience of Promoters in the line of business:**

For details in relation to experience of our Promoters in the business of our Company, see **“Our Business”** and **“Our Management”** on pages 89 and 115 of this Red Herring Prospectus respectively.

#### **Related Party Transactions:**

Except as stated in **“Note – 28 - Related Party Transactions”** beginning on page 142 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

#### **Change in the management and control of the Issuer**

Though our Promoters is not the original Promoters of our Company, he has control over the affairs of the Issuer since February 2016 and there has been no change in the control of our Company in the five years immediately preceding the date of this RHP.

#### **Relationship of Promoters with our directors**

None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013, except our Promoters and Director, Sunira Chamaria, who are brother and sister.

### 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 Promoters			
Promoters	Uddhav Poddar	Bhumika Realty Private Limited	Uddhav Poddar (HUF)
Father	Gauri Shankar Poddar	NIL	NIL
Mother	Vijay Laxmi Poddar		
Spouse	Bhumika Poddar		
Sister	1. Sunira Chamaria 2. Suraksha Gajwani 3. Vidhika Poddar Bagri		
Sons	1. Master. Vedant Poddar 2. Master Shiven Poddar		
Spouse's Father	Akhilesh Jain		
Spouse's Mother	Late Anita Jain		
Spouse's Brother	Anshuman Jain		

### (b) Corporate Entities or Firms forming part of the Promoter Group:

Nature of Relationship	Entity
(1) Any body corporate in which twenty per cent or more of the equity share capital is held by the Promoters or an immediate relative of the Promoters or a firm or Hindu Undivided Family in which the Promoters or any one or more of his relative is a member	Bhumika Highstreet India Private Limited(BHIPL) Anubhav Minerals Private Limited(AMPL) Bhumika Projects Limited. (BPL) Bhumika Shopping Centre India Private Limited(BSCIPL)
(2) Anybody corporate in which a body corporate as provided in (1) above holds twenty per cent or more, of the equity share capital; and	Bhumika Enterprises Private Limited Private Limited (BEPL) (BRPL shareholding of 74.16%) Uddhav Properties Limited (UPL) (KLL shareholding of 35.46%)
(3) Any Hindu Undivided Family or firm in which the aggregate share of the Promoters and his relatives is equal to or more than twenty per cent of the total capital.	Bhumika Cinemas LLP

### 1. Bhumika Highstreet India Private Limited (BHIPL)

#### Brief Corporate Information

Date of Incorporation	June 10, 2019
Current Activities	Construction, Opening and maintenance of Malls
CIN	U45209DL2019PTC351146
Registered Office Address	19, Community Centre, Second Floor, East of Kailash, New Delhi -110065

**Board of Directors**

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Uddhav Poddar	Director	00886181
2.	Ram Gopal Choudhary	Director	06637502
3.	Srinu Kumar Pendyala	Director	08129146

**Financial Information**

(₹ in Lakh)

Particulars	2020-21	2021-22	2022-23
Share Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserve)	(0.15)	3.52	198.80
Revenue from Operations	-	580.76	1,19,368.45
Other Income	-	-	76.28
Profit After Tax	(0.04)	3.67	195.28
Earnings Per Share	(0.03)	36.68	1,952.78
Net Asset Value	0.85	4.52	199.80

2. **Anubhav Minerals Private Limited (AMPL)**

**Brief Corporate Information**

<b>Date of Incorporation</b>	July 31, 1973
<b>Current Activities</b>	Legal and Accounting Services
<b>CIN</b>	U74899DL1973PTC006745
<b>Registered Office Address</b>	19, Community Centre, First Floor, East of Kailash, New Delhi -110065

**Board of Directors**

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Uddhav Poddar	Director	00886181
2.	Ram Gopal Choudhary	Director	06637502

**Financial Information**

(₹ In Lakh)

Particulars	2020-21	2021-22	2022-23
Share Capital	49.40	49.40	49.40
Reserves (excluding revaluation reserve)	(67.16)	(31.47)	(31.16)
Revenue from Operations	0.60	-	-
Other Income	1.36	52.95	0.79
Profit After Tax	0.35	35.69	0.31
Earnings Per Share	0.73	74.49	0.65
Net Asset Value	(17.76)	17.93	18.24

3. **Bhumika Projects Limited (BPL)**

**Brief Corporate Information**

<b>Date of Incorporation</b>	November 04, 2015
<b>Current Activities</b>	Real Estate Services
<b>CIN</b>	U70200DL2015PLC287078
<b>Registered Office Address</b>	19, Community Centre, First Floor, East of Kailash, New Delhi -110065

**Board of Directors**

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Uddhav Poddar	Director	00886181
2.	Ram Gopal Choudhary	Director	06637502
3.	Yogesh Gajwani	Director	00735270

**Financial Information**

(₹ In Lakh)

Particulars	2020-21	2021-22	2022-23
Share Capital	5.00	5.00	5.00
Reserves (excluding revaluation reserve)	(25.44)	(57.50)	(1,063.00)
Revenue from Operations	19.95	4.74	620.46
Other Income	4.01	2.98	8.29
Profit After Tax	16.96	(32.26)	(1,005.30)
Earnings Per Share	33.91	(64.52)	(2,010.59)
Net Asset Value	(20.44)	(52.50)	(1,058.00)

4. **Bhumika Shopping Centre India Private Limited****Brief Corporate Information**

<b>Date of Incorporation</b>	June 06, 2019
<b>Current Activities</b>	Real estate activities
<b>CIN</b>	U70100DL2019PTC351009
<b>Registered Office Address</b>	19, Community Centre, Second Floor, East of Kailash, New Delhi -110065

**Board of Directors**

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
3.	Uddhav Poddar	Director	00886181
4.	Ram Gopal Choudhary	Director	06637502

**Financial Information**

(₹ in Lakh)

Particulars	2020-21	2021-22	2022-23
Share Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserve)	(0.18)	(0.24)	(0.37)
Revenue from Operations	-	-	-
Other Income	-	-	-
Profit After Tax	(0.08)	(0.05)	(0.13)
Earnings Per Share	0.06	-	(1.31)
Net Asset Value	0.82	0.76	0.63

5. **Bhumika Enterprises Private Limited****Brief Corporate Information**

<b>Date of Incorporation</b>	May 16, 2007
<b>Current Activities</b>	Real Estate Services
<b>CIN</b>	U51900DL2007PTC163493
<b>Registered Office Address</b>	19, Community Centre, First Floor, East of Kailash, New Delhi -110065

**Board of Directors**

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
	Uddhav Poddar	Director	00886181
2.	Mukesh Jain	Director	01466460
3.	Ram Gopal Choudhary	Director	06637502

**Financial Information**

(₹ In Lakh)

Particulars	2020-21	2021-22	2022-23
Share Capital	98.20	98.20	98.20
Reserves (excluding revaluation reserve)	832.83	927.03	969.35
Revenue from Operations	3,875.00	6,963.00	951.62
Other Income	590.17	43.05	77.16

Profit After Tax	94.61	94.19	42.33
Earnings Per Share	9.63	9.59	4.31
Net Asset Value	931.03	1,025.23	1,067.55

#### 6. Uddhav Properties Limited

##### Brief Corporate Information

<b>Date of Incorporation</b>	July 14, 1982
<b>Current Activities</b>	Real estate activities
<b>CIN</b>	L70101DL1982PLC014024
<b>Registered Office Address</b>	19, Community Centre, First Floor, East of Kailash, New Delhi -110065

##### Board of Directors

As on date of this RHP the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Uddhav Poddar	Director	00886181
2.	Ram Gopal Choudhary	Director	06637502
3.	Yogesh Gajwani	Director	00735270
4.	Gauri Shankar Poddar	Director	00917730
5.	Alka Sabharwal	Director	07755323

##### Financial Information

(₹ In Lakh)

Particulars	2020-21	2021-22	2022-23
Share Capital	141.00	141.00	141.00
Reserves (excluding revaluation reserve)	(20.23)	(18.21)	(14.95)
Revenue from Operations	-	-	-
Other Income	8.80	7.64	8.74
Profit After Tax	3.60	2.02	3.26
Earnings Per Share	0.26	0.14	0.23
Net Asset Value	120.77	122.79	126.05

In accordance with the SEBI (ICDR) Regulations, financial information in relation to our Group Company is also available at the website: <https://croplifescience.com/>

#### 7. Bhumika Cinemas LLP

##### Brief Information

<b>Date of Incorporation</b>	October 16, 2017
<b>Current Activities</b>	Real estate activities
<b>LLPIN</b>	AAK-8889
<b>Registered Office Address</b>	19, Community Centre, First Floor, East of Kailash, New Delhi -110065

##### Details of Partners

Sr. No.	Name of the Partner	Designation	DIN Number
1	Uddhav Poddar	Partner	00886181
2	Alka Sabharwal	Partner	07755323

##### Financial Information

Particulars	2020-21	2021-22	2022-23
Share Capital	0.50	0.50	0.50
Reserves (excluding revaluation reserve)	21.06	41.84	53.21
Revenue from Operations	119.28	178.43	275.92
Other Income	-	-	-



Profit After Tax	14.53	20.77	11.37
Net Asset Value	21.56	42.34	53.71

**Other confirmations:**

- None of the Promoter Group Companies is a listed company
- None of the Promoter Group Companies is a sick company within the meaning of the term under IBC code nor is under winding up with NCLT.
- There are no defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Promoter Group Companies

**Common Pursuit:**

Two of our Group Companies, namely, BEPL and UPL, are in the same line of business as our Company and there are common pursuits between our Group Companies and our Company.

**Business Interests amongst our Company and Group Company /Associate Company**

Except as disclosed in “*Related Party Transactions*” on page 142 under Chapter Restated Financial Statement, none of our Promoter Group Entities have any business interest in our Company.

**Sale or Purchase between Our Company and Our Promoter Group Companies:**

For details, see “*Restated Financial Statements*” on page 142 of RHP.

**Changes in Accounting Policies in the last three years**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, *under Chapter titled “Restated Financial Statements”* beginning on page 142 of the RHP, there have been no changes in the accounting policies in the last three years.

**Litigation**

For details relating to the legal proceedings involving the Promoter Group Entities, see “*Outstanding Litigations and Material Developments*” on page 186 of this RHP.

**Defunct /Struck of Company:**

There are no companies in our promoter group listed above, which have been declared as a sick company. There is no winding up proceedings against any of our Promoter Group Companies.

**All persons whose shareholding is aggregated under the heading “shareholding of the Promoter Group”:**

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on September 28, 2023 the term “group companies”, includes (i) such companies (other than joint ventures) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of our Company.

Accordingly, all such companies with which our Company had related party transactions as per the Restated Consolidated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as group companies in terms of the SEBI ICDR Regulations.

Accordingly, in terms of the policy adopted by our Board of Directors for determining group companies, we have set out below the details of our Group Companies. Our Board of Directors has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the companies disclosed below:

1. Bhumika Highstreet India Private Limited(BHIPL)
2. Anubhav Minerals Private Limited(AMPL)
3. Bhumika Projects Limited. (BPL)
4. Bhumika Shopping Centre India Private Limited(BSCIPL)
5. Bhumika Enterprises Private Limited (BEPL)
6. Uddhav Properties Limited (UPL)

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at our website [www.kaushalya.co.in](http://www.kaushalya.co.in)

### DETAILS OF OUR GROUP COMPANIES.

#### 1. Bhumika Highstreet India Private Limited (BHIPL)

BHIPL was incorporated on June 10, 2019 under the provisions of Companies Act, 1956. The Registered Office of BHIPL is situated at 19, Community Centre, Second Floor, East of Kailash, New Delhi -110065. The CIN of BHIPL is U45209DL2019PTC351146. The Company is engaged in the business of Trading on e-commerce platform, as empowered by the Memorandum of Association of the Company.

##### *Audited Financial Information*

The Audited financial statements of BRPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available on our website at [www.kaushalya.co.in](http://www.kaushalya.co.in), in terms of the SEBI ICDR Regulations.

#### 2. Anubhav Minerals Private Limited (AMPL)

AMPL was incorporated on July 31, 1973 under the provisions of Companies Act, 1956. The Registered Office of AMPL is situated at 19, Community Centre, First Floor, East of Kailash, New Delhi -110065. The CIN of AMPL is U74899DL1973PTC006745. The Company is engaged in the business of rendering Legal and Accounting Services, as empowered by the Memorandum of Association of the Company.

##### *Audited Financial Information*

The Audited financial statements of BRPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available on our website at [www.kaushalya.co.in](http://www.kaushalya.co.in), in terms of the SEBI ICDR Regulations.

#### 3. Bhumika Projects Limited (BPL)

BPL was incorporated on November 04, 2015 under the provisions of Companies Act, 1956. The Registered Office of BPL is situated 19, Community Centre, First Floor, East of Kailash, New Delhi -110065. The CIN of BPL is U70200DL2015PLC287078. The Company is engaged in the business of acquisition, owning developing and managing commercial properties like malls etc, as empowered by the Memorandum of Association of the Company.

##### *Audited Financial Information*

The Audited financial statements of BRPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available on our website at [www.kaushalya.co.in](http://www.kaushalya.co.in), in terms of the SEBI ICDR Regulations.

#### 4. Bhumika Shopping Centre India Private Limited (BSCIPL)

BSCIPL was incorporated on June 06, 2019 under the provisions of Companies Act, 1956. The Registered Office of BSCIPL is situated at 19, Community Centre, Second Floor, East of Kailash, New Delhi -110065. The CIN of

BSCIPL is U70100DL2019PTC351009. The Company is engaged in the business of acquisition, owning developing and managing commercial properties like malls etc, as empowered by the Memorandum of Association of the Company.

***Audited Financial Information***

The Audited financial statements of BRPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available on our website at [www.kaushalya.co.in](http://www.kaushalya.co.in), in terms of the SEBI ICDR Regulations.

**5. Bhumika Enterprises Private Limited (BEPL)**

BEPL was incorporated on May 16, 2007 under the provisions of Companies Act, 2013. The Registered Office of EGEPL is situated at 19, Community Centre, First Floor, East of Kailash, New Delhi -110065. The CIN of BEPL is U51900DL2007PTC163493. The Company is engaged in the business of acquisition, owning developing and managing commercial properties like malls etc, as empowered by the Memorandum of Association of the Company.

***Audited Financial Information***

The Audited financial statements of BRPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available on our website at [www.kaushalya.co.in](http://www.kaushalya.co.in), in terms of the SEBI ICDR Regulations.

**6. Uddhav Properties Limited (UPL)**

UPL was incorporated on July 14, 1982 under the provisions of Companies Act, 1996. The Registered Office of UPL is situated at 19, Community Centre, First Floor, East of Kailash, New Delhi -110065. The CIN of UPL is L70101DL1982PLC014024. The Company is engaged in the business of acquisition, owning developing and managing commercial properties like malls etc, as empowered by the Memorandum of Association of the Company.

***Audited Financial Information***

The Audited financial statements of BRPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available on our website at [www.kaushalya.co.in](http://www.kaushalya.co.in), in terms of the SEBI ICDR Regulations.

UPL is also an Associate company of Kaushalya Logistics Limited as it is holding 35.46% shares in UPL.s

**INTEREST OF GROUP COMPANIES**

None of our Group Companies have any interest in the promotion of our Company. Except as disclosed in this RHP, none of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by our Company. None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery etc.

**COMMON PURSUITS AMONG GROUP COMPANIES WITH OUR COMPANY**

Some of our Group Companies, namely, BEPL, BRPL, UPL, are in the same line of business as our Company and there are common pursuits between our Group Companies and our Company.

**RELATED BUSINESS TRANSACTION WITHIN THE GROUP COMPANIES AND SIGNIFICANCE ON FINANCIAL PERFORMANCE OF OUR COMPANY**

For details pertaining to business transactions, of our Company with our Group Companies, please refer “Restated Consolidated Financial Statements” beginning on page no. 142.

**BUSINESS INTEREST OF GROUP COMPANIES**

Except in the ordinary course of business and as stated in “Restated Consolidated Financial Statements – Related Party Disclosure (Ind As-24)” on page no. 142, our Group Company do not have any business interest in our Company.

**LITIGATION**

Except as disclosed on page no. 186, there has been no material litigation in the group companies, which may directly or indirectly affect our Company. For details relating to the legal proceedings involving the Promoter Group Entities, see “*Outstanding Litigations and Material Developments*” on page 186 of this RHP.

**CONFIRMATION**

Our Group Companies except for UPL, which is listed on Metropolitan Stock Exchange of India (MSEI), do not have any securities listed on any stock exchanges. There are no investor complaints pending against UPL on the date of filing this RHP.

Further, our Group Companies have not undertaken any public or rights issue of securities in the three years preceding the date of this Red Herring Prospectus.

**SALE OR PURCHASE BETWEEN OUR COMPANY AND OUR PROMOTER GROUP COMPANIES:**

For details, see “*Restated Financial Information*” on page 142 of RHP.

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, *under Chapter titled “Restated Financial Statements”* beginning on page 142 of the RHP, there have been no changes in the accounting policies in the last three years.

**DEFUNCT /STRUCK OF COMPANY:**

There are no companies in our promoter group named above, which have been declared as a sick company. There is no winding up proceedings against any of our Promoter Group Companies.

## **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.

**SECTION IX- FINANCIAL STATEMENTS**  
**RESTATED FINANCIAL INFORMATION**

***(THIS PAGE IS LEFT BLANK INTENTIONALLY)***

**K.N. GUTGUTIA & CO.**

**CHARTERED ACCOUNTANTS**

**NEW DELHI : KOLKATA**

**11-K, GOPALA TOWER, 25, RAJENDRA PLACE,  
NEW DELHI-110008**

**Phones : 25713944, 25788644, 25818644**

**E-mail : brg1971@cakng.com, kng1971@yahoo.com**

**Website : www.cakng.com**

## **INDEPENDENT AUDITOR'S REPORT**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies  
(Prospectus and Allotment of Securities) Rules, 2014)**

To,  
The Board of Directors,  
**KAUSHALYA LOGISTICS LIMITED**  
**(FORMERLY KNOWN AS KAUSHALYA LOGISTICS PRIVATE LIMITED)**

Dear Sir,

### **1. Report on Restated Consolidated Financial Statements**

We have examined the Restated Consolidated Financial Statements of **KAUSHALYA LOGISTICS LIMITED** (hereinafter referred as "the Company") and its associate, the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i. Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the "Act") and
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
- iii. The terms of reference to our engagements with the Company requesting us to examine consolidated financial statements referred to above and proposed to be included in the Prospectus /Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on SME Platform of Stock Exchange ("IPO" or "SME IPO");
- iv. The (Revised) Guidance Note on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India ("ICAI"); and
- v. In terms of Schedule VI of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, We, **K N Gutgutia & Co., Chartered Accountants**, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.



**K.N. GUTGUTIA & CO.**

**CHARTERED ACCOUNTANTS**

**NEW DELHI : KOLKATA**

**11-K, GOPALA TOWER, 25, RAJENDRA PLACE,  
NEW DELHI-110008**

**Phones : 25713944, 25788644, 25818644**

**E-mail : brg1971@cakng.com, kng1971@yahoo.com**

**Website : www.cakng.com**

2. The Restated Consolidated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Consolidated Financial Statements of the Company for the period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021 which have been approved by the Board of Directors.
3. Consolidated Financial Statements for the period ended June 30, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 have been audited by us, which are all approved by the Board of Directors as on that date and are audited by us for the purpose of restatement as required under SEBI ICDR Regulations.
4. **Financial Information as per Audited Consolidated Financial Statements:**
  - i. We have examined:
    - a. The attached Restated Statement of Assets and Liabilities of the company, for the period ended June 30, 2023 and as at March 31, 2023, 2022 and 2021;
    - b. The attached Restated Statement of Profits and Losses of the Company for the period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021;
    - c. The attached Restated Statement of Cash Flows of the Company for the period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021;
    - d. The Significant Accounting Policies adopted by the Company and notes to the Restated Consolidated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings; (Collectively hereinafter referred as "Restated Consolidated Financial Statements" or "Restated Consolidated Summary Statements")
  - ii. In accordance with the requirements of Act, ICDR Regulations as amended from time to time, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
    - a. The "Restated Statement of Assets and liabilities" as set out in Annexure to this report, of the Company for the period ended June 30, 2023 and as at March 31, 2023, 2022 and 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Consolidated Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure to this Report.





**K.N. GUTGUTIA & CO.**

**CHARTERED ACCOUNTANTS**

**NEW DELHI : KOLKATA**

**11-K, GOPALA TOWER, 25, RAJENDRA PLACE,  
NEW DELHI-110008**

**Phones : 25713944, 25788644, 25818644**

**E-mail : brg1971@cakng.com, kng1971@yahoo.com**

**Website : www.cakng.com**

- b. The "Restated Statement of Profit and Loss" as set out in Annexure to this report, of the Company for the period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual consolidated financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure to this Report.
- c. The "Restated Statement of Cash Flow" as set out in Annexure to this report, of the Company for the period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021, are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual consolidated financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure to this Report.

iii. Based on the above we are of the opinion that "Restated Consolidated Financial Statements" or "Restated Summary Statements" have been made after incorporating:

- a. There are no adjustments for any material amounts in the respective financial years have been made to which they relate, other than the adjustment for Deferred Tax and depreciation.
- b. There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c. There were no audit qualifications for which adjustment was required.
- d. There was no change in accounting policies, which needs to be adjusted in the Restated Consolidated Financial Statements.
- e. There are no revaluation reserves, which need to be disclosed separately in the Restated Consolidated Financial Statements.
- f. The Company has not paid dividend on its equity shares.



**K.N. GUTGUTIA & CO.**

**CHARTERED ACCOUNTANTS**

**NEW DELHI : KOLKATA**

**11-K, GOPALA TOWER, 25, RAJENDRA PLACE,  
NEW DELHI-110008**

**Phones : 25713944, 25788644, 25818644**

**E-mail : brg1971@cakng.com, kng1971@yahoo.com**

**Website : www.cakng.com**

**5. Other Financial Information:**

- I. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021.

<b>PARTICULARS</b>
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
STATEMENT OF PROFIT & LOSS AS RESTATED
STATEMENT OF CASH FLOWS AS RESTATED
SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS
STATEMENT OF SHARE CAPITAL AS RESTATED
STATEMENT OF RESERVES AND SURPLUS AS RESTATED
STATEMENT OF LONG-TERM BORROWINGS AS RESTATED
STATEMENT OF SHORT-TERM BORROWINGS AS RESTATED
STATEMENT OF TRADE PAYABLES AS RESTATED
STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED
STATEMENT OF SHORT-TERM PROVISIONS
STATEMENT OF FIXED ASSETS AS RESTATED
STATEMENT OF NON-CURRENT INVESTMENTS AS RESTATED
STATEMENT OF LONG TERM LOANS AND ADVANCES AS RESTATED
STATEMENT OF DEFERRED TAX ASSETS AS RESTATED
STATEMENT OF TRADE RECEIVABLES AS RESTATED
STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED
STATEMENT OF SHORT-TERM LOANS & ADVANCES AS RESTATED
STATEMENT OF OTHER CURRENT ASSETS AS RESTATED
STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED
STATEMENT OF OTHER INCOME AS RESTATED
STATEMENT OF OPERATING EXPENSES AS RESTATED
STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED
STATEMENT OF OTHER EXPENSES AS RESTATED
STATEMENT OF FINANCIAL CHARGES AS RESTATED
STATEMENT OF RELATED PARTY TRANSACTIONS AS RESTATED
STATEMENT OF ACCOUNTING RATIOS AS RESTATED
STATEMENT OF CAPITALIZATION AS RESTATED



**K.N. GUTGUTIA & CO.**

**CHARTERED ACCOUNTANTS**

**NEW DELHI : KOLKATA**

**11-K, GOPALA TOWER, 25, RAJENDRA PLACE,  
NEW DELHI-110008**

**Phones : 25713944, 25788644, 25818644**

**E-mail : brg1971@cakng.com, kng1971@yahoo.com**

**Website : www.cakng.com**

- II. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- III. We have not audited any consolidated financial statements of the Company as of any date or for any period subsequent to June 30, 2023. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to June 30, 2023.
- IV. The preparation and presentation of the Consolidated Financial Statements referred to above are based on the Audited consolidated financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- V. In our opinion, the above restated financial information contained in this report read along with the are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- VI. The financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited consolidated financial statements for the relevant years.
- VII. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this construed as a new opinion on any of the consolidated financial statements referred to herein.
- VIII. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- IX. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.



**K.N. GUTGUTIA & CO.**

**CHARTERED ACCOUNTANTS**

**NEW DELHI : KOLKATA**

**11-K, GOPALA TOWER, 25, RAJENDRA PLACE,  
NEW DELHI-110008**

**Phones : 25713944, 25788644, 25818644**

**E-mail : brg1971@cakng.com, kng1971@yahoo.com**

**Website : www.cakng.com**

## **6. Auditor's Responsibility**

Our responsibility is to express an opinion on these restated consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **7. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated consolidated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**PLACE: NEW DELHI**

**DATE : 18.11.2023**

**FOR K.N. GUTGUTIA & CO.  
CHARTERED ACCOUNTANTS  
FRN304153E**



**(B.R. GOYAL)  
PARTNER**

**M. NO. 12172**

**UDIN: 23012172BGWDTA3909**

**PART I — BALANCE SHEET**

**Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)**  
Restated Consolidated Statement of Assets & Liabilities

All amounts are in Rupees Lakhs

Particulars	Note No.	As at 30 <sup>th</sup> June,2023	As at 31 <sup>st</sup> March,2023	As at 31 <sup>st</sup> MARCH,2022	As at 31 <sup>st</sup> MARCH,2021
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' funds</b>					
(a) Share capital	2	15 00	15 00	15 00	15 00
(b) Reserves and surplus	3	2,133.29	1,918.64	1,211.62	834.60
<b>(2) Non-current liabilities</b>					
(a) Long-term borrowings	4	3,899.07	3,213.35	2,476.88	1,070.37
(b) Deferred tax liabilities (Net)	13	-	-	-	3.27
(c) Other Long term liabilities	5	95.08	95.08	-	-
(d) Long-term provisions	6	64.30	55.47	33.93	-
<b>(3) Current liabilities</b>					
(a) Short-term borrowings	7	1,589.44	1,542.72	1,234.34	817.76
(b) Trade payables	8	6,970.98	5,272.19	1,050.80	252.26
(c) Other current liabilities	9	1,743.87	1,700.04	323.16	165.85
(d) Short-term provisions	10	331.33	257.37	148.13	117.39
<b>TOTAL</b>		<b>16,842.35</b>	<b>14,069.86</b>	<b>6,493.87</b>	<b>3,276.49</b>
<b>II. ASSETS</b>					
<b>Non-current assets</b>					
(1) (a) Property, Plant and Equipment and Intangible assets					
(i) Property, Plant and Equipment	11	179.45	185.19	111.65	83.34
(ii) Intangible assets					
(b) Non-current investments	12	2,863.51	2,863.24	2,639.48	125.69
(c) Deferred tax assets (net)	13	18.68	16.87	0.70	-
(d) Other non-current assets	14	31.12	31.33	29.76	25.46
<b>(2) Current assets</b>					
(a) Current investments					
(b) Inventories	15	2,340.72	2,464.43	379.60	-
(c) Trade receivables	16	4,515.41	3,096.78	1,024.63	367.84
(d) Cash and cash equivalents	17	29.68	35.46	1,061.13	1,769.38
(e) Short-term loans and advances	18	3,905.26	3,280.64	914.76	607.92
(f) Other current assets	19	2,958.52	2,095.93	332.16	296.86
<b>Total</b>		<b>16,842.35</b>	<b>14,069.86</b>	<b>6,493.87</b>	<b>3,276.49</b>

**Summary of significant accounting policies**

The accompanying notes (1 to 41) are integral part of the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE

**FOR K N GUTGUTIA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 304153E

(B R Goyal)  
PARTNER  
M. NO.12172

For and on behalf of the board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00886181

(Ram Gopal Choudhary)  
Director  
DIN: 05637502

PLACE : NEW DELHI

DATE : 18/11/2023





Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)  
Restated Consolidated Profit and loss statement

All amounts are in Rupees Lakhs

	Particulars	Note No.	For the period ended 30th June,2023	For the year ended 31 <sup>st</sup> March,2023	For the year ended 31 <sup>st</sup> March,2022	For the year ended 31 <sup>st</sup> March,2021
I	Revenue from operations	20	56,837.41	62,462.35	6,028.75	3,140.32
II	Other income	21	215.75	754.07	330.17	188.08
III	<b>Total Revenue (I + II)</b>		<b>57,053.16</b>	<b>63,216.41</b>	<b>6,358.92</b>	<b>3,328.40</b>
IV	<b>Expenses:</b>					
	Purchases of Stock-in-Trade	22	52,771.29	54,701.37	2,130.90	
	Changes in inventories of Stock-in-Trade	23	123.72	(2,084.83)	(379.60)	
	Operating Expenses	24	922.61	3,742.01	2,765.20	2,161.57
	Employee benefits expense	25	153.49	545.27	422.90	389.60
	Finance costs	26	132.75	426.48	277.99	111.52
	Depreciation and amortization expense	11	5.87	24.80	31.97	32.29
	Other expenses	27	2,656.92	4,925.02	586.87	234.60
	<b>Total expenses</b>		<b>56,766.64</b>	<b>62,280.12</b>	<b>5,836.24</b>	<b>2,929.58</b>
V	<b>Profit before tax (IV - III)</b>		<b>286.52</b>	<b>936.30</b>	<b>522.69</b>	<b>398.82</b>
VI	<b>Tax expense:</b>					
	(1) Current tax		(73.96)	(245.72)	(148.13)	(117.39)
	(2) Deferred tax		1.81	16.17	3.97	17.92
	(3) Tax adjustments related to earlier years		-	(0.88)	(2.22)	0.34
VII	<b>Profit (Loss) for the period (V - VI)</b>		<b>214.37</b>	<b>705.87</b>	<b>376.31</b>	<b>299.69</b>
VIII	<b>Add/(Less): Share in profit/(Loss) of Associates</b>		<b>0.28</b>	<b>1.15</b>	<b>0.72</b>	<b>1.28</b>
IX	<b>Profit (Loss) for the period (VII - VIII)</b>		<b>214.65</b>	<b>707.02</b>	<b>377.02</b>	<b>300.96</b>
X	<b>Earnings per equity share:</b>					
	(1) Basic		142.91	470.58	250.87	199.79
	(2) Diluted		142.91	470.58	250.87	199.79

Summary of significant accounting policies

The accompanying notes (1 to 41) are integral part of the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE.

FOR K N GUTGUTIA & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 304153E

(B R Goyal)  
PARTNER  
M. NO.12172

PLACE : NEW DELHI  
DATE : 18/11/2023

For and on behalf of For and on behalf of the board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00886181

(Ram Gopal Choudhary)  
Director  
DIN: 06837502



Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)  
Restated Consolidated Cash Flow Statement

All amounts are in Rupees Lakhs

S. No	Particulars	For the period ended 31st June, 2023	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>					
Net Profit/(Loss) Before tax		286.52	936.30	522.69	398.82
Adjustment for:					
Depreciation and amortization	5.87		24.80	31.97	32.29
Finance Cost paid	132.75		426.48	277.99	111.52
Interest Received	(167.18)		(389.30)	(181.57)	(138.93)
Return on Investment	(11.26)		(271.15)	(114.96)	
(Profit)/ Loss on sale/discrad of FA			(0.77)	0.73	12.74
		(39.82)	(209.94)	14.16	17.62
Operating profit before working capital changes		246.70	726.36	536.86	416.45
Adjustment for:					
(Increase)/Decrease in receivables	(2,310.27)		(3,868.32)	(529.87)	(78.84)
Increase/(Decrease) in payables/provision	1,825.41		5,824.13	1,020.52	(233.87)
(Increase)/Decrease in Inventories	123.72		(2,084.83)	(379.60)	
		(361.14)	(129.02)	111.04	(312.71)
Cash generated from operations		(114.44)	597.34	647.90	103.74
Direct taxes paid		(73.96)	(246.60)	(150.35)	(117.06)
Net cash Inflow/(outflow) from operating activities (A)		(188.41)	350.74	497.55	(13.32)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of Property, Plant & Equipment		(0.14)	(98.42)	(61.01)	(15.99)
Proceeds from Sale of Property, Plant & Equipment			0.85		121.75
Loan & Advances given/ (received back)	(595.37)		(2,335.05)	(473.35)	
Maturity/Investments in Bank Fixed Deposits	3.96		994.01	749.58	(844.95)
Investment in properties	(0.28)		(223.76)	(2,513.78)	
Share in profit/(Loss) of Associates	0.28		1.15	0.72	1.28
Interest Received	167.18		389.30	181.57	138.93
Return on Investment	11.26		271.15	114.96	
Net cash inflow/(outflow) from investing activities (B)		(413.11)	(1,000.77)	(2,001.33)	(598.99)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>					
Proceeds from/ (repayment of) long term borrowings	685.72		735.46	1,406.52	109.92
Proceeds from/ (repayment of) short term borrowings	46.72		308.38	416.58	574.79
Finance Cost paid	(132.75)		(426.48)	(277.99)	(111.52)
Net Cash Inflow/(Outflow) from financing activities (C)		599.69	618.37	1,545.10	573.19
<b>D. Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b>		(1.83)	(31.67)	41.33	(39.12)
Cash and cash equivalents at the beginning of the year (Opening balance)		21.51	53.17	11.84	50.97
Cash and cash equivalents at the closing of the year (Closing balance)		19.68	21.51	53.17	11.84

Foot Note:-

- The above cash flow has been prepared under the Indirect Method as set out in the Accounting Standard-3 Cash flow Statements by The Institute of Chartered Accountants of India.
- Previous year figures have been regrouped/rearranged wherever considered necessary to confirm to make them comparable.
- Cash & Cash Equivalent at the closing of the year includes Cash in hand, Bank Balances, Cheque in hand & Dr. Balance of Overdraft.

For K N Gutgutia & Co.  
Chartered Accountants  
Firm Registration Number: 304153E

(B R Goyal)  
Partner  
M. No. 12172

PLACE : NEW DELHI  
DATE : 18/11/2023

For and on behalf of Board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00888181

(Ram Gopal Choudhary)  
Director  
DIN: 00637502



	All amounts are in Rupees Lakhs			
	AS AT 30TH JUNE, 2023	AS AT 31ST MARCH, 2023	AS AT 31ST MARCH, 2022	AS AT 31ST MARCH, 2021
<b>2 SHARE CAPITAL</b>				
Authorized				
1,50,000 Equity Shares of Rs 10/- each	15.00	15.00	15.00	15.00
(P/Y 1,50,000 Equity Shares of Rs 10/- each)				
Issued, Subscribed & Paid up				
1,50,000 Equity Shares of Rs 10/- each fully paid up	15.00	15.00	15.00	15.00
(P/Y 1,50,000 Equity Shares of Rs 10/- each fully paid up)				

**Note:-**

- 2.1 The Company has only one class of shares referred to as equity shares having par value of Rs 10/- .Each holder of equity shares is entitled to one vote per share.
- 2.2 The details of shareholders holding more than 5% shares is set out below:

Name of the shareholder	As At 31st June, 2023		As At 31st March, 2023	
	No of shares	% held	No of shares	% held
Uddhav Poddar-HUF	15000	10.00%	15,000	10.00%
Mr Uddhav Poddar	47650	31.77%	47,650	31.77%
Master Vedant Poddar Minor U/g Uddhav Poddar	28330	18.89%	28,330	18.89%
Master Shiven Poddar Minor U/g Bhumiika Poddar	27500	18.33%	27,500	18.33%
Bhumika Reality Pvt Ltd	29500	19.67%	29,500	19.67%
Name of the shareholder	As At 31st March, 2022		As At 31st March, 2021	
	No of shares	% held	No of shares	% held
Uddhav Poddar-HUF	15,000	10.00%	15,000	10.00%
Mr Uddhav Poddar	47,650	31.77%	47,650	31.77%
Master Vedant Poddar Minor U/g Uddhav Poddar	28,330	18.89%	28,330	18.89%
Master Shiven Poddar Minor U/g Bhumiika Poddar	27,500	18.33%	27,500	18.33%
Bhumika Reality Pvt Ltd	29,500	19.67%	29,500	19.67%
Vidhika Poddar Bagri	-	-	-	0.00%
G S Poddar-HUF	-	-	-	0.00%

- 2.3 The reconciliation of the number of shares outstanding is set out below:

Particular	As At 31st June, 2023		As At 31st March, 2023	
	No of shares	Amount	No of shares	Amount
Numbers of shares at the beginning of the year	1,50,000	15.00	1,50,000	15.00
Add: Shares issued during the year	-	-	-	-
Numbers of shares at the end of the year	1,50,000	15.00	1,50,000	15.00

Particular	As At 31st March, 2022		As At 31st March, 2021	
	No of shares	Amount	No of shares	Amount
Numbers of shares at the beginning of the year	1,50,000	15.00	1,50,000	15.00
Add: Shares issued during the year	-	-	-	-
Numbers of shares at the end of the year	1,50,000	15.00	1,50,000	15.00

- 2.4 Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL
- 2.5 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- 2.6 Shares held by Promoters at 30th June 2023:

Name of the shareholder	No of shares	% of total shares	% Change during the year
Uddhav Poddar-HUF	15,000	10.00%	-
Mr Uddhav Poddar	47,650	31.77%	-
Master Vedant Poddar Minor U/g Uddhav Poddar	28,330	18.89%	-
Master Shiven Poddar Minor U/g Bhumiika Poddar	27,500	18.33%	-
Bhumika Reality Pvt Ltd	29,500	19.67%	-
Anubhav Minerals Pvt. Ltd.	2,000	1.33%	-



*[Handwritten signatures]*



### 3 RESERVE AND SURPLUS

Surplus				
Opening balance	1,918.64	1,211.62	834.60	533.64
Add: Profit / (Loss) for the year	214.65	707.02	377.02	300.96
	<u>2,133.29</u>	<u>1,918.64</u>	<u>1,211.62</u>	<u>834.60</u>

### Non Current Liabilities

#### 4 Long Term Borrowings

<b>Term Loan</b>				
- Term Loan from Banks (Secured)	1,499.94	846.21		
Less: Current Maturities	(144.27)	(126.75)		
	<u>1,355.67</u>	<u>719.46</u>		
- Term Loan from Banks for Properties (Secured)	2,442.69	2,339.83	1,582.05	
Less: Current Maturities	(102.20)	(63.80)	(94.37)	
	<u>2,340.49</u>	<u>2,276.02</u>	<u>1,487.67</u>	
- Vehicle Loan from Banks (Secured)	6.21	7.04	10.14	30.68
Less: Current Maturities	(2.95)	(2.95)	(3.10)	(12.33)
	<u>3.26</u>	<u>4.10</u>	<u>7.03</u>	<u>18.35</u>
- Term Loan from others (Secured)	87.39	101.76	931.07	1,096.46
Less: Current Maturities	(59.72)	(59.72)	(138.78)	(87.78)
	<u>27.66</u>	<u>42.04</u>	<u>792.30</u>	<u>998.68</u>
<b>Other Long Term Loans</b>				
- From Related party (Unsecured)	139.78	140.09	160.27	
- From Other party (Unsecured)	32.20	31.64	29.61	53.34
	<u>3,899.07</u>	<u>3,213.35</u>	<u>2,476.88</u>	<u>1,070.37</u>

4.1 Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.

4.2 Term Loan includes Rupee Term loan availed from ICICI Bank amounting to Rs 804.70 Lacs is secured by exclusive charge over current assets and movable fixed assets of company including mortgage on property (immovable fixed assets) of Mr. Uddhav Poddar (Director) and is repayable in 83 equated installments of Rs 9.69 Lacs beginning from May 2022. Personal Guarantee of Loan is given by Mr. Uddhav Poddar (Director).

4.3 Term Loan includes Rupee Term loan availed from ICICI Bank amounting to Rs 72.82 Lacs is secured by exclusive charge over current assets and movable fixed assets of company including mortgage on property (immovable fixed assets) of Mr. Uddhav Poddar (Director) and is repayable in 84 equated installments of Rs 0.86 Lacs beginning from May 2022. Personal Guarantee of Loan is given by Mr. Uddhav Poddar (Director).

4.4 Term Loan includes ECLGS loan availed from ICICI Bank amounting to Rs 95.42 Lacs is secured by second ranking charge over all the existing security created in favour of ICICI Bank for the other facility (as stated above) and is repayable in 36 equated installments of Rs 2.65 Lacs beginning from April 2025. Personal Guarantee of Loan is given by Mr. Uddhav Poddar (Director).

4.5 Term Loan includes Working Capital Term loan availed from ICICI Bank amounting to Rs 700 Lacs is secured by exclusive charge over current assets and movable fixed assets of company including mortgage on property (immovable fixed assets) of Mr. Uddhav Poddar (Director) and is repayable in 48 equated installments of Rs 1.46 Lacs beginning from Jun 2023. Personal Guarantee of Loan is given by Mr. Uddhav Poddar (Director).

4.6 Loan against Property availed from HDB Financial Services Limited amounting to Rs. 357 Lacs against Security of Shop No. M016 to M018 Property at Plot No.F210 to F223, RHCO Industrial area, Sukher, Tehsil Udaipur, City Udaipur, Pincode-313004, Rajasthan and is repayable in 86 equated installments of Rs 5.81 Lacs beginning from May 2023.

4.7 Property Loan availed from LIC Housing Finance Limited amounting to Rs. 560.00 Lacs to Purchase/ Construction/ Renovation of office/ Purchase of Equipments is used for takeover of Loan from ICICI Bank taken for Purchase of (Shop No. M012) Property at Plot No.F210 to F223, RHCO Industrial area, Sukher, Tehsil Udaipur, City Udaipur, Pincode-313004, Rajasthan and same is secured by charge on Property and is repayable in 180 equated installments of Rs 6.66 Lacs beginning from April 2023. Guarantee of Loan is given by Bhumika Enterprise Private Limited (Related party)

4.8 Property Loan availed from LIC Housing Finance Limited amounting to Rs. 1430.00 Lacs to Purchase/ Construction/ Renovation of office/ Purchase of Equipments is used for takeover of Loan from HDFC Bank taken for Purchase of (Shop No. M001 to M010) Property at Plot No.F210 to F223, RHCO Industrial area, Sukher, Tehsil Udaipur, City Udaipur, Pincode-313004, Rajasthan and same is secured by charge on Property and is repayable in 180 equated installments of Rs 16.70 Lacs beginning from February 2023. Guarantee of Loan is given by Bhumika Enterprise Private Limited (Related party)

4.9 Property Loan availed from Yes Bank amounting to Rs. 129.60 Lacs (Disbursed amount till 31-03-2023 - Rs. 119.69 Lacs) to Purchase (Unit No. M001A, M002A, M006A, M010A) Property at Plot No.F210 to F223, RHCO Industrial area, Sukher, Tehsil Udaipur, City Udaipur, Pincode-313004,

4.10 Term Loan availed from Siemens Financial Services Pvt. Ltd. amounting to Rs. 89.37 Lacs to Purchase DG Set and same is secured by charge on DG Set and is repayable in 24 equated installments of Rs 5.36 Lacs beginning from November 2022.

Term Loan availed from Siemens Financial Services Pvt. Ltd. amounting to Rs. 32.00 Lacs to Purchase DG Set and same is secured by charge on DG Set and is repayable in 24 equated installments of Rs 1.47 Lacs beginning from February 2023.

#### 5 Other Long term liabilities

Security Deposit Received	95.08	95.08		
	<u>95.08</u>	<u>95.08</u>		



*[Handwritten signature]*

*[Handwritten signature]*

<b>6 Long-term provisions</b>				
Provision for Gratuity and Leave Encashment	64.30	55.47	33.93	-
	<u>64.30</u>	<u>55.47</u>	<u>33.93</u>	<u>-</u>
<b>7 Short-term borrowings</b>				
Overdraft Facility				
From Bank-Secured	1,280.29	1,289.50	998.09	707.65
Current Maturity of Long term borrowings (Refer Note No 4)	309.14	253.22	236.25	110.11
	<u>1,589.44</u>	<u>1,542.72</u>	<u>1,234.34</u>	<u>817.76</u>
7.1 Overdraft facility from ICICI Bank is secured by exclusive charge over current assets and movable fixed assets of company including mortgage on property (immovable fixed assets) of Director.				
<b>8 Trade Payable</b>				
total outstanding dues of micro enterprises and small enterprises (Refer Note 23 (b))				
total outstanding dues of creditors other than micro enterprises and small enterprises	6,970.98	5,272.19	1,050.80	252.26
	<u>6,970.98</u>	<u>5,272.19</u>	<u>1,050.80</u>	<u>252.26</u>
<b>Note:-</b>				
<b>8.1 Trade Payables Outstanding for following periods from date of transaction:</b>				
Trade payables ageing schedule for the year ended as on March 31, 2023:				
Particulars	MSME	Others	Total	
Less than 1 year	-	5,267.18	5,267.18	
1-2 years	-	4.16	4.16	
2-3 years	-	0.86	0.86	
More than 3 years	-	-	-	
Total	-	5,272.19	5,272.19	
Trade payables ageing schedule for the year ended as on March 31, 2022:				
Particulars	MSME	Others	Total	
Less than 1 year	-	1,044.89	1,044.89	
1-2 years	-	5.91	5.91	
2-3 years	-	-	-	
More than 3 years	-	-	-	
Total	-	1,050.80	1,050.80	
Trade payables ageing schedule for the year ended as on March 31, 2021:				
Particulars	MSME	Others	Total	
Less than 1 year	-	247.17	247.17	
1-2 years	-	5.08	5.08	
2-3 years	-	-	-	
More than 3 years	-	-	-	
Total	-	252.26	252.26	
No Disputed dues as on 31-Mar-23, 31-Mar-22 & 31-Mar-21				
<b>9 Other current liabilities</b>				
Advance from customers	54.89	28.58	38.21	5.67
Accrued Salaries & Benefits	57.98	52.73	45.41	34.77
Statutory Dues	37.59	47.75	26.48	100.49
Other payables	19.50	21.79	14.16	24.92
Interest Accrued but not due	22.82	27.14	12.48	-
Provision for expenses	675.44	683.60	67.06	-
Provision for Sales return	875.66	838.46	119.36	-
	<u>1,743.87</u>	<u>1,700.04</u>	<u>323.16</u>	<u>165.85</u>
<b>10 Short-term provisions</b>				
Provision for Gratuity and Leave Encashment	11.65	11.65	-	-
Provision for Income Tax	319.68	245.72	148.13	117.39
	<u>331.33</u>	<u>257.37</u>	<u>148.13</u>	<u>117.39</u>



*[Handwritten signature]*

*[Handwritten signature]*

## 12 Non-Current Investments

### Investment in equity Instruments (fully paid up equity shares)

Face Value	No of Shares (Jun'23)	No of Shares (Mar'23)	30th June, 2023	31st March, 2023
<b>(Quoted)</b>				
10 Uddhav Properties Ltd. (Associate Company)	5,00,000	5,00,000	56.32	56.05
<b>(Unquoted)</b>				
10 Bhumika Realty Pvt. Ltd.	69,728	69,728	4.73	4.73
10 Bhumika Realty Pvt. Ltd.	85,000	85,000	8.50	8.50
10 YSDS PVT LTD	5,200	5,200	5.04	5.04
10 Bhumika Enterprises Pvt. Ltd.	31,900	31,900	53.25	53.25
			127.84	127.56

### Investment in properties

2,735.67 2,735.67

2,863.51 2,863.24

### Investment in equity Instruments (fully paid up equity shares)

Face Value	No of Shares ('22)	No of Shares ('21)	31ST MARCH, 2022	31ST MARCH, 2021
<b>(Quoted)</b>				
10 Uddhav Properties Ltd. (Associate Company)	5,00,000	5,00,000	54.89	54.18
<b>(Unquoted)</b>				
10 Bhumika Realty Pvt. Ltd.	69,728	69,728	4.73	4.73
10 Bhumika Realty Pvt. Ltd.	85,000	85,000	8.50	8.50
10 YSDS PVT LTD	5,200	5,200	5.04	5.04
10 Bhumika Enterprises Pvt. Ltd.	31,900	31,900	53.25	53.25
			126.41	125.69

### Investment in properties

2,513.07

2,639.48 125.69

### 12.1 Aggregate amount of quoted Investments

56.32

56.05

NA

### Market value of quoted Investments

NA

NA

NA

### 12.2 Investment in properties details as below:

Unit No.	Property Address	June'23	March'23	March'22
M001 to M010		1,601.63	1,601.63	1,570.45
M012	Plot No.F210 to F223, RHCO Industrial area, Sukher, Tehsil Udaipur, City	578.38	578.38	578.38
M016 to M018	Udaipur, Pincode-313004, Rajasthan	378.07	378.07	364.24
M001A, 2A, 6A, 10A		177.60	177.60	-
<b>Total</b>		<b>2,735.67</b>	<b>2,735.67</b>	<b>2,513.07</b>

### 12.3 Investment value includes Taxes, Stamp Duty/Registry charges.

Interest cost capitalized up to the date the assets are ready for their intended use.

## 13 Deferred Tax Liabilities/(Assets)

Deferred tax Liabilities (Net)	-	-	-	3.27
Deferred tax Assets (Net)	18.68	16.87	0.70	
	<b>18.68</b>	<b>16.87</b>	<b>0.70</b>	<b>3.27</b>

## 14 Other non-current assets

Security deposits (unsecured, considered good)	31.12	31.33	29.76	25.46
	<b>31.12</b>	<b>31.33</b>	<b>29.76</b>	<b>25.46</b>

## 15 Inventories

Stock-in-trade				
Electronics Items	2,278.19	2,454.49	285.20	-
Cement	62.52	9.94	94.40	-
	<b>2,340.72</b>	<b>2,464.43</b>	<b>379.60</b>	<b>-</b>



*[Handwritten signature]*

*[Handwritten signature]*

15.1 Inventories - Electronics Items includes Television, Refrigerator and other Electronics appliances

#### 16 Trade receivables

Unsecured, considered good unless stated otherwise -

Outstanding for period exceeding six months from the date they are due for payment

Other receivables	4,515.41	3,096.78	1,024.63	367.84
<b>Total</b>	<b>4,515.41</b>	<b>3,096.78</b>	<b>1,024.63</b>	<b>367.84</b>

Note:-

16.1 Trade Receivables Outstanding for following periods from date of transaction:

Trade receivables ageing schedule for the year ended as on March 31, 2023:

Particulars	Undisputed Trade receivables - considered goods	Undisputed Trade receivables - considered doubtful	Total
Less than 6 months	3,016.60	-	3,016.60
6 months - year	4.25	-	4.25
1-2 years	75.65	-	75.65
2-3 years	-	-	-
More than 3 years	0.28	-	0.28
<b>Total</b>	<b>3,096.78</b>	<b>-</b>	<b>3,096.78</b>

Trade receivables ageing schedule for the year ended as on March 31, 2022:

Particulars	Undisputed Trade receivables - considered goods	Undisputed Trade receivables - considered doubtful	Total
Less than 6 months	986.39	-	986.39
6 months - year	1.44	-	1.44
1-2 years	36.80	-	36.80
2-3 years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	<b>1,024.63</b>	<b>-</b>	<b>1,024.63</b>

Trade receivables ageing schedule for the year ended as on March 31, 2021:

Particulars	Undisputed Trade receivables - considered goods	Undisputed Trade receivables - considered doubtful	Total
Less than 6 months	364.15	-	364.15
6 months - year	0.27	-	0.27
1-2 years	3.42	-	3.42
2-3 years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	<b>367.84</b>	<b>-</b>	<b>367.84</b>

No Disputed Trade receivables as on 31-Mar-23, 31-Mar-22 & 31-Mar-21

#### 17 Cash and Cash Equivalents

Balance with Banks	18.95	21.09	46.19	10.81
Cheque in Hand	-	-	6.75	-
Cash on Hand	0.73	0.42	0.23	0.39
Bank Overdraft (Dr. balance)	-	-	-	0.64
<b>Other Bank Balances (Maturity exceeding 12 Months)</b>				
In Deposit Accounts	10.00	13.96	1,007.96	1,757.54
	<b>29.68</b>	<b>35.46</b>	<b>1,061.13</b>	<b>1,769.38</b>

#### 18 Short-term loans and advances

Advance to suppliers	39.42	36.82	16.90	50.92
Advance to employees	15.30	15.27	-	-
Imprest to employees & other parties	1.55	0.23	4.59	33.61
Loans and advances to Related Parties (unsecured, considered good)	3,823.69	3,228.32	893.27	523.39
Loans and advances to Other Parties (unsecured, considered good)	25.30	-	-	-
	<b>3,905.26</b>	<b>3,280.64</b>	<b>914.76</b>	<b>607.92</b>



Handwritten signatures in blue ink.

19 Other Current Assets

Advance payment of income tax (including TDS)	1,289.72	738.21	140.80	77.47
Balances with government authorities	1,200.92	900.68	83.33	133.95
Others Receivables	446.00	429.97	103.46	82.24
Prepaid Expenses	21.89	27.07	4.56	3.21
	<b>2,958.52</b>	<b>2,095.93</b>	<b>332.16</b>	<b>296.86</b>



*[Handwritten signature]*

*[Handwritten signature]*

11 Property, Plant and Equipment

All amounts are in Rupees Lakhs

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2023	ADDITION DURING THE PERIOD	DEDUCTION / ADJUSTMENT	AS ON 30.06.2023	AS ON 01.04.2023	FOR THE ADJUSTMENT PERIOD	AS ON 30.06.2023	AS ON 31.03.2023	AS ON 31.03.2023
Computer & Laptop	37.51	0.02	-	37.53	25.86	0.93	26.79	10.74	11.66
Furniture & Fixtures	16.28	0.06	-	16.34	11.21	0.20	11.41	4.93	5.07
Vehicles	111.36	-	-	111.36	81.99	2.02	84.01	27.35	29.37
Office Equipment	31.60	0.06	-	31.66	25.74	0.50	26.24	5.42	5.87
Plant & Machinery - DG Set	140.32	-	-	140.32	7.10	2.22	9.31	131.01	133.22
<b>TOTAL</b>	<b>337.06</b>	<b>0.14</b>	<b>-</b>	<b>337.22</b>	<b>161.89</b>	<b>5.87</b>	<b>157.76</b>	<b>179.45</b>	<b>185.19</b>
Previous year	244.96	98.42	(6.30)	337.08	133.11	24.80	157.89	185.19	111.65

AS AT 31ST MARCH 2023

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2022	ADDITION DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31.03.2023	AS ON 01.04.2022	FOR THE ADJUSTMENT YEAR	AS ON 31.03.2023	AS ON 31.03.2022	AS ON 31.03.2022
Computer & Laptop	30.41	7.79	(0.69)	37.51	23.01	3.60	25.86	11.66	7.39
Furniture & Fixtures	16.72	0.68	(1.12)	16.28	11.20	1.12	11.21	5.07	5.52
Vehicles	112.86	-	(1.50)	111.36	71.36	12.05	81.99	29.37	41.50
Office Equipment	34.11	0.49	(2.99)	31.60	26.40	2.26	25.74	5.87	7.71
Plant & Machinery - DG Set	50.86	89.46	-	140.32	1.33	5.77	7.10	133.22	49.52
<b>TOTAL</b>	<b>244.96</b>	<b>98.42</b>	<b>(6.30)</b>	<b>337.08</b>	<b>133.11</b>	<b>24.80</b>	<b>157.89</b>	<b>185.19</b>	<b>111.65</b>
Previous year	185.02	61.01	(2.08)	244.95	102.68	31.97	133.31	111.55	83.34

Property, Plant and Equipment

AS AT 31ST MARCH 2022

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2021	ADDITION DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31.03.2022	AS ON 01.04.2021	FOR THE ADJUSTMENT YEAR	AS ON 31.03.2022	AS ON 31.03.2021	AS ON 31.03.2021
Computer & Laptop	24.56	6.58	(0.75)	30.41	19.47	4.23	23.01	7.39	5.11
Furniture & Fixtures	15.93	1.21	(0.41)	16.72	9.09	2.27	11.20	5.52	6.63
Vehicles	113.44	-	(0.58)	112.86	52.15	19.49	71.36	41.50	61.29
Office Equipment	32.08	2.37	(0.33)	34.11	21.96	4.66	26.40	7.71	10.11
Plant & Machinery - DG Set	-	50.86	-	50.86	-	1.33	1.33	49.52	-
<b>TOTAL</b>	<b>183.02</b>	<b>61.01</b>	<b>(2.08)</b>	<b>244.96</b>	<b>102.68</b>	<b>31.97</b>	<b>133.31</b>	<b>111.66</b>	<b>83.34</b>
Previous year	463.86	15.89	213.83	186.02	219.84	32.28	149.14	192.88	234.12

Property, Plant and Equipment

AS AT 31ST MARCH 2021

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2020	ADDITION DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31.03.2021	AS ON 01.04.2020	FOR THE ADJUSTMENT YEAR	AS ON 31.03.2021	AS ON 31.03.2020	AS ON 31.03.2020
Computer & Laptop	23.13	1.44	-	24.58	17.08	2.39	19.47	5.11	6.05
Office Equipment	28.94	3.14	-	32.08	18.38	3.58	21.96	10.11	10.56
Vehicles	386.11	10.96	283.63	113.44	176.41	24.88	149.14	52.15	209.69
Furniture & Fixtures	15.48	0.45	-	15.93	7.66	1.43	9.09	6.83	7.82
<b>TOTAL</b>	<b>453.66</b>	<b>15.99</b>	<b>283.63</b>	<b>186.02</b>	<b>219.54</b>	<b>32.29</b>	<b>149.14</b>	<b>102.86</b>	<b>234.12</b>
Previous year	441.07	12.59	-	453.66	175.57	43.97	216.54	234.12	285.50



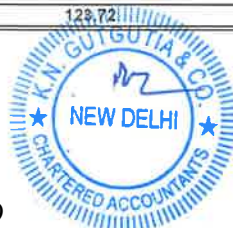
*Handwritten signature/initials*

*Handwritten signature/initials*

Kaushalya Logistics Limited (formerly known as Kaushalya Logistics Private Limited)  
Notes forming part of the Restated Consolidated Financial Information

All amounts are in Rupees Lakhs

	For the period ended 30th June, 2023	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>20 Revenue from operations</b>				
<b>Sale of Product</b>				
<b>Electronics Items</b>				
Sales - Electronics Items	66,114.62	69,660.39	2,768.24	-
Sales return	(9,106.38)	(11,032.95)	(407.69)	-
Sales return-Provision	(875.66)	(838.46)	(119.36)	-
Discounts	(2,824.37)	(2,996.20)	(94.89)	-
	<u>53,308.22</u>	<u>54,792.78</u>	<u>2,146.30</u>	-
<b>Cement</b>				
Sales of Cement	12.02	240.24	-	-
	<u>12.02</u>	<u>240.24</u>	-	-
<b>Sale of Services</b>				
Clearing & Forwarding Agency Income (Including Handling, Transportation & incidental Income)	1,300.30	4,926.08	3,744.13	3,135.57
Freight Income	-	27.50	21.50	4.75
Professional Income	-	4.40	67.50	-
	<u>1,300.30</u>	<u>4,957.98</u>	<u>3,833.13</u>	<u>3,140.32</u>
Other Operating Income	2,216.87	2,471.35	49.32	-
	<u>56,837.41</u>	<u>62,462.35</u>	<u>6,028.75</u>	<u>3,140.32</u>
20.1 Sales - Electronics Items includes Sales of Television, Refrigerator, and other Electronics appliances				
20.2 Sales of Cement is ancillary activity of Clearing & Forwarding Agency Business				
<b>21 Other Income</b>				
Interest Income	167.18	389.30	181.57	138.93
Profit/ (Loss) on sale of Fixed Assets	-	0.77	-	-
Return on Investment	11.26	271.15	114.96	-
Rental Income	37.31	76.43	26.98	32.86
Miscellaneous income (Including Liabilities no longer required written back)	-	16.41	6.66	16.29
	<u>215.75</u>	<u>754.07</u>	<u>330.17</u>	<u>188.08</u>
<b>22 Purchases of Stock-in-Trade</b>				
Purchases - Electronics Items	58,531.47	63,361.93	2,512.87	-
Purchases return	(326.03)	(279.76)	(14.58)	-
(Less) Purchases discount	(5,511.37)	(8,636.41)	(461.80)	-
	<u>52,694.07</u>	<u>54,445.77</u>	<u>2,036.50</u>	-
Purchases - Cement	77.22	255.60	94.40	-
	<u>52,771.29</u>	<u>54,701.37</u>	<u>2,130.90</u>	-
22.1 Purchases - Electronics Items includes Purchase of Television, Refrigerator, and other Electronics appliances				
22.2 Purchases of Cement is ancillary activity of Clearing & Forwarding Agency Business				
<b>23 Changes in inventories of Stock-in-Trade</b>				
<b>Opening Stock:</b>				
Electronics Items	2,454.49	285.20	-	-
Cement	9.94	94.40	-	-
	<u>2,464.43</u>	<u>379.60</u>	-	-
<b>Less: Closing Stock</b>				
Electronics Items	2,278.19	2,454.49	285.20	-
Cement	62.52	9.94	94.40	-
	<u>2,340.72</u>	<u>2,464.43</u>	<u>379.60</u>	-
Net Increase/(Decrease) in stock	<u>123.72</u>	<u>(2,084.83)</u>	<u>(379.60)</u>	-



**24 Operating Expenses**

Freight & Depot Operation Charges	922.61	3,742.01	2,760.70	2,143.57
Reconciliation & Billing Expenses	-	-	4.50	18.00
	<b>922.61</b>	<b>3,742.01</b>	<b>2,765.20</b>	<b>2,161.57</b>

**25 Employee benefit expense**

Salaries, Wages	147.19	517.07	401.30	372.15
Contribution to Provident fund and other funds	5.77	21.11	17.17	15.67
Staff Welfare Expenses	0.53	7.09	4.43	1.78
	<b>153.49</b>	<b>545.27</b>	<b>422.90</b>	<b>389.60</b>

**26 Finance costs**

<b>Interest expense</b>				
Interest on Term Loan and Bank Overdraft from banks	54.40	187.18	52.94	103.75
Interest on Property Loan from banks	64.48	114.60	36.56	
Interest on Vehicle Loan	0.09	0.70	2.01	
Interest on Other Loans	5.46	68.83	142.57	4.52
Other Interest	0.92	21.05	11.23	2.50
Other Finance Cost	6.86	21.47	27.65	0.21
Bank Charges	0.55	12.65	5.05	0.53
	<b>132.75</b>	<b>426.48</b>	<b>277.99</b>	<b>111.52</b>

**27 Other expenses**

Marketplace Expenses	1,108.04	2,385.24	205.17	-
Shipping Expenses	1,344.65	1,959.32	105.76	-
Legal, professional & consultancy charges	63.26	284.49	101.19	81.51
Rent	21.04	100.12	64.50	60.48
Travelling and conveyance	5.10	35.02	23.84	14.02
Vehicle, Running & Maintenance	2.65	9.58	13.45	7.76
Repair & Maintenance	0.44	0.97	0.61	0.28
Communication	2.58	12.54	10.68	9.28
Insurance Expense	1.23	2.28	3.33	8.07
Printing and Stationery	1.11	5.61	4.19	2.79
Office Maintenance	1.66	7.40	5.16	4.94
Water & Electricity Charges	0.86	4.34	3.37	2.85
Donation	-	5.65	5.31	2.55
Technology infrastructure charges	43.52	62.45	1.43	-
Fees & Subscription	-	0.16	0.32	0.16
Advertisement & Business Promotion Expenses	11.45	0.99	0.97	-
Rates & Taxes	25.64	12.96	5.29	5.41
Payment to Auditor	-	-	-	-
- Statutory audit fees	0.53	2.10	2.00	2.00
- Tax audit fees	-	0.15	0.15	0.15
Loss on Sale/Discard of Assets	-	-	0.73	12.74
CSR Expense	-	7.79	-	-
Miscellaneous Expenses	23.15	25.86	29.40	19.62
	<b>2,656.92</b>	<b>4,925.02</b>	<b>586.87</b>	<b>234.60</b>



*[Handwritten signature]*

*[Handwritten signature]*



## 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### A. Corporate Information (The Parent & its Associates are referred to as the Group)

Kaushalya Logistics Limited (herein after referred to as "the Company") was incorporated on 24-08-2007 as a private limited Company under the Companies Act, 2013 and domiciled in India. The Company is presently engaged in C & F Agency, Transportation and in the business of retail trade of various types of home appliances, consumer electronics etc. and allied services on various online marketplaces.

Company is converted from Private limited company to Public company (Unlisted) as on 01-05-2023.

### B. Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

- The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS-23), "Accounting for Investments in Associates in Consolidated Financial Statements" and using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- Unrealized Profit and losses, if any, resulting from transactions between investor and the associate has been eliminated to the extent of the investor's interest in the associate.

The Associates company considered in the consolidated financial statements are as under:

Name of Company	Nature	Country of Incorporation	% of Shareholding
Uddhav Properties Ltd	Associated	India	35.46%

### C. Basis of preparation and presentation of restated consolidated financial information

- These accounts are prepared on historical cost basis and on the Accounting principles of going concern. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.
- The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except to the extent stated otherwise.
- All assets and liabilities have been classified as current and 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 products and the time between the acquisition of assets for processing and their realization in 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.
- The Restated Consolidated Statement of Assets & Liabilities of the company and its associates as at 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021, the related Restated Consolidated Statement of Profit and Loss, and the Restated Consolidated Statement of Cash Flows as at and for the years then ended, and the Significant accounting policies and Restated Other Financial Information, hereinafter together will be referred to as 'Restated Consolidated Financial Information'. The significant accounting policies applied by the Company in the preparation of these Restated Consolidated Financial Information were listed below. Such accounting policies have been applied consistently to all the periods presented in these statements, unless otherwise indicated.

#### (a) Statement of Compliance

These Restated Consolidated Financial Information of the Company have been prepared in connection with its proposed Initial Public Offer ("IPO") on the SME platform of Stock Exchange having nationwide trading terminal. Therefore, company has prepared these statements in accordance with the Generally Accepted Accounting Principles in India, (Indian GAAP) applying exemption as per the proviso to Rule 4 (ii) & (iii) of the Companies (Indian Accounting) Standards Rules, 2015. Indian GAAP comprises mandatory Accounting Standards notified under Section 133 of the Companies Act 2013 read with Companies (Accounting Standards) Rules, 2021 (as amended) and the relevant provisions of the Companies Act, 2013.



**(b) Basis of preparation**

1. The Restated Consolidated Financial Information has been prepared on accrual basis under the historical cost convention. For the current financial year, the Company continues to be classified as Small and Medium sized Company (SMC), as per the revised definition specified in General Instructions in respect of Accounting Standards, prescribed in Companies (Accounting Standards) Rules, 2021. However, as per clause 5 of the rules, to avail the exemption/relaxation in the accounting standards, the company has to remain as SMC for two consecutive accounting periods. Accordingly, the Company has complied with the requirements of Accounting Standards as applicable to Non — SMCs.

2. These Restated Consolidated Financial Information have been prepared in accordance with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended ("the Act") read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules")
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments /clarifications from time to time
- c) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time ("the Guidance Note").

3. The Restated Consolidated Financial Information has been compiled by the company from:

The Audited Consolidated Financial Statements of the Company and its Associates as at and for the financial for the period ended June 30, 2023 and years ended on March 31, 2023, March 31, 2022, and March 31, 2021, prepared in accordance with the Accounting Standards (referred to as "AS") as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021 (as amended) and the relevant provisions of the Companies Act, 2013, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on **18 Nov 2023, 03 July 2023, 01 September 2023 and 01 September 2023** respectively. Also,

- a) there were no changes in accounting policies during the year of these financial statements
- b) there were no adjustments made for prior period items and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments
- c) The Restated Consolidated financial information has been made after incorporating adjustments for the required regrouping/reclassifications retrospectively in respective financial years to reflect the same accounting treatment as per the accounting policy for all reporting years.

**D. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**i) Sale of Services**

The Company recognizes revenue from services namely Clearing & Forwarding and Freight, Handling & Transportation services on accrual basis.

**ii) Sale of traded goods**

Sale of traded goods represents revenue from the sale of products (net of sales return, provision for future expected sales return and trade discounts). The sale is recorded when the products are delivered and all significant risks and rewards of ownership of the goods have passed to the customers.

It is the company's policy to sell its products to the end customers with a right of return within specified period on case to case basis. Historical experience is used to estimate and provide for such returns at the time of sales and Sale is reversed at year end (As per Guidance note on Accounting by E-commerce Entities issued by ICAI). The Company collects Goods and Service Tax on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

**iii) Income from auxiliary activities**

Income from auxiliary activities includes shipping revenue, gift wrapping fees and subvention fee recovery, etc. Revenue is recognized as and when services are rendered. Company collects Goods and Service Tax on behalf of the Government and therefore, these are not economic benefit flowing to the Company, hence they are excluded from revenue.

**iv) Interest income**

Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

**v) Rental income**

Rental income arising from operating lease on investment properties is accounted for on a straight line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Statement of profit or loss due to its operating nature.



#### **F. Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost net of tax/duty credits & subsidy availed, if any, less accumulated depreciation/amortization/impairment losses. The cost of fixed assets includes freight, other incidental expenses related to the acquisition and installation of the respective assets, preoperative expenses and borrowing costs directly attributable to fixed assets which necessarily take a substantial period of time to get ready for their intended use.

Depreciation has been provided for on straight line method ( for proportionate period in use) in accordance with the rates of Schedule II to the companies Act, 2013 (as amended) on the cost of assets as referred to above. Useful life is determined by the Management on technical evaluation which is not more than the life specified in schedule II to the companies ACT , 2013.

Depreciation on addition to assets has been calculated on pro-rata basis from the date of acquisition / installation. Depreciation on assets sold has been calculated on pro-rata basis till the date of sale/ deletion.

#### **G. Borrowing costs**

Borrowing costs including incidental/ ancillary costs are recognized in the Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalized up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the period of such borrowings.

#### **H. Inventories**

Inventory of traded goods are valued at lower of direct costs (Direct cost is the prime cost incurred in bringing the inventories to their present location and condition) and estimated net realizable value, after adjusting for obsolescence, where appropriate. Cost is determined on First-In-First-Out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

The company has calculated the provision for inventory basis the percentage as per historical experience for future expected sales return and reversed Inventory Valuation as at year end (As per Guidance note on Accounting by E-commerce Entities issued by ICAI).

#### **I. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties, etc. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

#### **J. Taxes on Income**

##### **Current Tax**

Current tax expense is based on the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the Balance Sheet date and takes into consideration various deductions and exemptions to which the Company is entitled to as well as the reliance placed by the Company on the legal advices received by it. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

##### **Deferred Tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance



*[Handwritten signature]*

*[Handwritten signature]*

Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax.

#### **Minimum Alternate Tax**

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of Profit and Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

#### **K. Earnings Per share**

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **L. Provision Contingent Liabilities and Contingent Assets**

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligations. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where is a possible obligation, but the likelihood of outflow of resources is remote, no provision/disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

#### **M. Use of Estimates**

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimated assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could in the period differ from those estimates. Any revision to accounting estimates is recognised in the period the same is determined.

#### **N. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less .

#### **O. Employee Benefits**

##### **Short-Term Employee Benefits**

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, incentives, etc. and are recognized as expenses in the period in which the employee renders the related service and measured accordingly.



Handwritten signature in blue ink.

**Gratuity**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; this benefit is discounted to determine its present value. Any unrecognised past service costs are deducted. The calculation of the Company's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses, are immediately recognised in statement of profit and loss as employee benefit expenses.

All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses..

**Leave Encashment**

The employees can carry forward a portion of the unutilized accrued compensated absences and utilise it in future service periods or receive cash compensation during termination of employment.

The calculation of the Company's obligation for unutilized accrued compensated absences is performed annually by a qualified actuary using the projected unit credit method.

Actuarial gains/losses are immediately taken to the statement of profit and loss

All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses..

**Provident Fund**

Provident Fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Company's contribution to the Provident Fund is charged to Profit & Loss Account.

*[Handwritten signature]* *[Handwritten signature]*





28 Related party disclosures for the period ended June 30, 2023

a. Related party and their relationship					
Relationship	Name of Related Party				
Key Managerial Person	Uddhav Poddar				
Relative of Director	Bhumika Poddar				
Relative of Director	Vijay Laxmi Poddar				
Relative of Director	Mr. Gaun Shankar Poddar				
Associate Company	Uddhav Properties Ltd				
Partnership firm which is under significant influence of the Key Managerial Person of the reporting enterprise	Bhumika Cinemas LLP				
	Bhumika Highstreet India Pvt Ltd				
	Bhumika Projects Ltd				
Private company which is under significant influence of the Key Managerial Person of the reporting enterprise	Bhumika Realty Pvt. Ltd.				
	Anubhav Minerals Pvt Ltd				
	Bhumika Enterprises Private Limited				
b. Transactions with the related parties					
Name of Related Party	Nature of transaction	For the period 30th Jun'23	FY 2022-23	FY 2021-22	FY 2020-21
Mr. Gauri Shankar Poddar	Consultancy Fees	3.30	19.80	19.80	18.15
Vijay Laxmi Poddar	Salary	2.25	9.00	9.00	9.00
Bhumika Poddar	Salary	13.50	54.00	54.00	22.50
Vidhika Poddar Bagri	Salary	3.60	12.00	-	-
Bhumika Enterprises Pvt Ltd	Office Rent Income	7.04	26.80	25.53	24.31
Bhumika Enterprises Pvt Ltd	Warehouse Operation & Management Income	-	-	36.00	20.00
Bhumika Enterprises Pvt. Ltd	Rent Income - Plant & Machinery	12.13	38.44	-	-
Bhumika Enterprises Pvt Ltd	Interest Income on Loan	143.33	293.40	44.13	21.23
Bhumika Enterprises Pvt Ltd	Assured Return received on Investment in Property (Return on Investment)	11.26	271.15	119.62	-
Bhumika Enterprises Pvt Ltd	Reimbursement of Expenses	-	-	36.31	67.42
Bhumika Enterprises Pvt. Ltd	Rent Expenses	0.16	0.62	0.23	-
Bhumika Enterprises Pvt. Ltd	Handling Charges Expenses	-	-	-	179.22
Bhumika Enterprises Pvt. Ltd	Commission Expenses	-	-	-	278.08
Bhumika Enterprises Pvt. Ltd	Car Rent Income	-	-	-	7.35
Bhumika Enterprises Pvt. Ltd	Office Operation Income	-	-	-	7.50
Bhumika Enterprises Pvt. Ltd	Purchase of Property, Plant & Equipment	-	89.76	50.86	-
Bhumika Enterprises Pvt. Ltd	Investment in Properties	-	222.60	2,513.07	-
Bhumika Cinemas LLP	Interest Income on Loan	23.55	91.60	81.59	38.36
Bhumika Highstreet India Pvt Ltd	Rent Income	0.16	0.62	0.26	-
Bhumika Projects Ltd	Rent Income	0.15	0.60	0.60	0.60
Uddhav Properties Ltd	Rent Income	0.06	0.24	0.24	0.24
Uddhav Properties Ltd	Interest Paid	1.81	7.26	5.15	0.24
Anubhav Minerals Pvt Ltd	Rent Income	0.06	0.24	0.24	0.24
Anubhav Minerals Pvt Ltd	Interest Paid	0.22	0.79	0.85	-
Bhumika Realty Pvt Ltd	Rent Income	0.03	0.12	0.12	0.12
Bhumika Realty Pvt Ltd	Interest Paid	0.44	1.36	0.93	-
c. Balance with related parties					
Name of Related Party	Nature of transaction	For the period 30th Jun'23	FY 2022-23	FY 2021-22	FY 2020-21
Bhumika Enterprises Pvt Ltd	Trade receivables	84.60	74,529	78.66	(0.20)
Bhumika Enterprises Pvt Ltd	Loan Receivable (including Interest)	3,041.06	2,434.884	279.69	-
Bhumika Enterprises Pvt Ltd	Others Receivables	424.33	413.163	103.46	-
Bhumika Enterprises Pvt Ltd	Creditor	-	-	-	96.94
Mr. Gaun Shankar Poddar	Trade Payable	-	2.97	-	-
Vijay Laxmi Poddar	Salary Payable	-	3.85	1.65	0.55
Bhumika Poddar	Salary Payable (Salary Advance)	(15.30)	(15.27)	2.55	2.50
Vidhika Poddar Bagri	Salary Payable	2.55	1.70	-	-
Bhumika Cinemas LLP	Loan Receivable (including Interest)	623.48	643.44	613.58	508.00
Bhumika Projects Ltd	Trade receivables	-	1.27	0.59	0.16
Bhumika Highstreet India Pvt Ltd	Loan Receivable (Interest Free)	159.15	150.00	-	-
Bhumika Highstreet India Pvt Ltd	Unsecured Loan O/s (Interest Free)	-	-	16.50	-
Bhumika Highstreet India Pvt Ltd	Other Receivable	-	-	0.12	-
Uddhav Properties Ltd	Unsecured Loan O/s (including Interest)	108.66	108.66	107.17	-
Bhumika Realty Pvt Ltd	Other Payable	0.04	-	1.65	1.65
Bhumika Realty Pvt Ltd	Unsecured Loan O/s (including Interest)	21.14	20.94	20.53	-
Anubhav Minerals Pvt Ltd	Unsecured Loan O/s (including Interest)	10.01	10.49	16.06	-

29 Segment Reporting

Based on the guiding principles given in Accounting Standard-17, The Company is presently engaged in 2 Segments -

a. Service Income - includes C & F Agency, Transportation and other ancillary activities

b. Trade of Electronic Appliances - includes retail trade of various types of home appliances, consumer electronics etc. and allied services on various online marketplaces.

The Company prepares its operating segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole

No operating segments have been aggregated to form the above reportable operating segments

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'Unallocated'

Finance costs are not allocated to individual segments as the underlying instruments are managed on a Company basis

Segment information for the period ended 30th June, 2023 :-

Particulars	Trade of Electronic Appliances	Service Income	Un-allocated	Total
Revenue from Operations	55,525.09	1,312.32	-	56,837.41
Segment result	69.18	222.75	-	291.93
Other income (Interest, Rent Income, etc.)	-	-	215.75	215.75
Finance cost	-	-	132.75	132.75
Unallocable Corporate Expenditure	-	-	88.41	88.41
Profit before tax	-	-	-	286.52
Segment Assets	8,218.28	1,076.25	7,541.50	16,836.03
Segment Liabilities	6,250.28	755.37	5,688.42	14,694.06
Depreciation and Amortization Expenses	0.30	1.18	4.40	5.87
Capital Expenditure	-	0.14	-	0.14



Segment Information for the year ended 31st March, 2023 :

Particulars	Trade of Electronic Appliances	Service Income	Un-allocated	Total
Revenue from Operations	57,264.13	5,198.22	-	62,462.35
Segment result	299.09	509.81	-	807.91
Other Income (Interest, Rent income, etc.)			740.44	740.44
Finance cost			426.48	426.48
Unallocable Corporate Expenditure			275.58	275.58
Profit before tax				936.30
Segment Assets	8,435.68	799.37	8,924.81	14,069.86
Segment Liabilities	6,459.79	528.31	5,148.11	12,136.22
Depreciation and Amortization Expenses	0.57	5.52	15.72	24.80
Capital Expenditure	3.82	5.13	89.46	98.42

Segment Information for the year ended 31st March, 2022 :

Particulars	Trade of Electronic Appliances	Service Income	Un-allocated	Total
Revenue from Operations	2,195.62	3,833.13	-	6,028.75
Segment result	75.15	605.82	-	740.77
Other Income (Interest, Rent income, etc.)			325.73	325.73
Finance cost			277.99	277.99
Unallocable Corporate Expenditure			265.82	265.82
Profit before tax				522.69
Segment Assets	962.13	615.83	4,911.01	6,488.97
Segment Liabilities	961.99	379.31	3,925.95	5,267.25
Depreciation and Amortization Expenses	-	30.84	1.33	31.97
Capital Expenditure	-	10.16	60.86	81.01

Segment Information for the year ended 31st March, 2021 :

Particulars	Trade of Electronic Appliances	Service Income	Un-allocated	Total
Revenue from Operations	-	3,140.32	-	3,140.32
Segment result	-	322.26	-	322.26
Other Income (Interest, Rent income, etc.)			188.08	188.08
Finance cost			111.52	111.52
Unallocable Corporate Expenditure			-	-
Profit before tax				398.82
Segment Assets		621.08	2,651.24	3,272.32
Segment Liabilities		399.80	2,027.10	2,426.90
Depreciation and Amortization Expenses	-	32.29	-	32.29
Capital Expenditure	-	15.99	-	15.99

The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

30 Earnings per share (EPS)

EPS is calculated by dividing the profit/ ( Loss ) attributable to the equity shareholders by the average number of equity shares outstanding during the year. Number used for calculating basic and diluted earnings per equity share as started below

Particulars	For the period ended 30th June 2023	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit/(Loss) after tax	214.37	705.87	376.31	299.59
Weighted Average Number of shares outstanding during the year (Nos.)	1,50,000	1,50,000	1,50,000	1,50,000
Face Value per share (RS.)	10.00	10.00	10.00	10.00
Basic EPS (Rs.)	142.91	470.58	250.87	199.79
Diluted EPS (Rs.)	142.91	470.58	250.87	199.79

31 Ratios

The following are analytical ratios for the period ended June 30, 2023 and year ended March 31, 2023

Particular	Numerator	Denominator	For the period 30th Jun. 2023	As at 31st March 2023	Variance
Current Ratio	Current assets	Current liabilities	1.29	1.25	3.35%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	2.56	2.47	3.85%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.96	2.13	-54.87%
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	10.54%	44.83%	-76.50%
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	5.55	9.68	-42.58%
Trade Receivables turnover ratio	Revenue	Average Accounts Receivable	3.73	7.58	-50.75%
Trade payables turnover ratio	Purchases & Operating Expenses	Average Trade Payables	2.19	4.62	-52.54%
Net capital turnover ratio	Revenue	Working Capital	18.25	28.38	-35.69%
Net profit ratio	Net Profit after Tax	Revenue	0.38%	1.13%	-66.62%
Return on Capital employed	Earning before interest and taxes	Capital Employed	19.23%	68.93%	-72.10%

Reason for variance ( If more than 25% ) :-

The company has commenced retail trade business of Electronic appliances in previous FY from January, due to it ratios are fluctuated more than 25%, thus comparison to previous FY is difficult to ascertain

Debt Service Coverage Ratio	Due to new additional loan on investment in property
Return on Equity Ratio	
Inventory turnover ratio, Trade Receivables turnover ratio, Trade payables turnover ratio, Net capital turnover ratio	Revenue of electronic trade business is increased from 57,264.13 Lacs to 53,308.22 Lacs in Q1
Net profit ratio	To survive in the market competition, the company gives huge discounts/offers to the customers and spends heavily on marketing expenses, so the profit is not increasing as compared to the revenue

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particular	Numerator	Denominator	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	Variance
Current Ratio	Current assets	Current liabilities	1.25	2.25	-44.35%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	2.47	2.23	10.48%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	2.13	2.61	-18.36%
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	44.83%	43.14%	3.92%
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	9.68	-	-
Trade Receivables turnover ratio	Revenue	Average Accounts Receivable	7.58	1.85	310.34%
Trade payables turnover ratio	Purchases & Operating Expenses	Average Trade Payables	4.62	1.47	214.15%
Net capital turnover ratio	Revenue	Working Capital	28.38	1.86	1426.17%
Net profit ratio	Net Profit after Tax	Revenue	1.13%	9.58%	-88.21%
Return on Capital employed	Earning before interest and taxes	Capital Employed	68.93%	58.98%	14.92%



Reason for variance (if more than 25%) -

The company has commenced retail trade business of Electronic appliances, due to it ratios are fluctuated more than 25%, thus comparison to previous FY is difficult to ascertain

### 32 Loans or Advances in the nature of loans

Details of Loans or Advances in the nature of loans are granted to, Promoters, Directors KMP's, related parties during the year, that are

Type of Borrower	Amount of loan or advance in the nature of loan outstanding			
	For the Period 30th Jun,2023	AS AT 31ST MARCH,2023	AS AT 31ST MARCH,2022	AS AT 31ST MARCH,2021
<b>Related Parties</b>				
Bhumika Enterprises Pvt Ltd	3,041.06	2,434.88	279.69	-
Bhumika Cinemas LLP	623.48	643.44	613.58	513.78
Bhumika Highstreet India Pvt Ltd	159.15	150.00	-	-

Percentage to the total Loans and Advances in the

Related Parties	For the Period 30th Jun,2023	AS AT 31ST MARCH,2023	AS AT 31ST MARCH,2022	AS AT 31ST MARCH,2021
Bhumika Enterprises Pvt Ltd	79.53%	75.42%	31.31%	0.00%
Bhumika Cinemas LLP	16.31%	19.83%	68.69%	98.16%
Bhumika Highstreet India Pvt Ltd	4.16%	4.65%	0.00%	0.00%

### 33 Corporate Social Responsibility Disclosures

Company is planning to undertake activities towards Corporate Social Responsibility as defined under the Companies Act 2013, Section 135(5)

Nature of CSR activities undertaken - No Activities undertaken during the FY 2022-23

Particular	FY 2022-23	FY 2021-22	FY 2020-21
Total of previous years shortfall	-	-	-
Amount required to be spent by the company during the year	7.79	-	-
Amount of expenditure incurred	-	-	-
Shortfall at the end of the year	7.79	-	-

Company has made provision of Rs. 7.79 Lacs during the financial year 2022-23 in respect of CSR expenditure as per the provision of section 135 of the Companies Act 2013

Company will spend it in financial year 2023-24 by 30-09-2023 as per Section 135(5) Second proviso on CSR activities as provided in schedule 7 of the company Act 2013

### 34 Employee Benefits

In accordance with Accounting Standard 15 (AS 15)- "Employee Benefits", the disclosures of Employee Benefits are given below

#### a) Defined Contribution Scheme

Particulars	For the Period 30th Jun,2023	As at March 31,2023	As at March 31,2022	As at March 31,2021
<b>Contribution to Defined Contribution Plan, recognized for the year are as under:</b>				
Employer's Contribution to Provident & Pension Fund		4.19	13.99	11.07
Employer's-ESI Contribution		1.57	5.90	5.06
Labour Welfare Fund	-	-	0.07	0.08
<b>Total</b>		<b>5.77</b>	<b>19.95</b>	<b>16.21</b>

#### b) Defined Benefit Scheme

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet:

Particulars	Leave Encashment		
	For the Period 30th Jun,2023	FY 2022-23	FY 2021-22
Present value of obligation at the beginning of the year	15.45	8.70	-
Current service cost	1.78	7.13	-
Past service cost	-	-	-
Interest cost	-	-	-
Actuarial (gain) / loss	-	-	-
Expense provided	-	-	8.70
Benefits paid	-	(0.37)	-
Present value of obligation at the end of the year	17.23	15.45	8.70
Liability recognized in the financial statements	17.23	15.45	8.70
Amount recognised in Statement of Profit and Loss	1.78	7.13	8.70

Particulars	Gratuity (Unfunded)		
	For the Period 30th Jun,2023	FY 2022-23	FY 2021-22
Present value of obligation at the beginning of the year	51.67	25.24	-
Current service cost	7.05	9.45	-
Past service cost	-	-	-
Interest cost	-	1.83	-
Actuarial (gain) / loss	-	16.94	-
Expense provided	-	-	25.24
Benefits paid	-	(1.79)	-
Present value of obligation at the end of the year	58.72	51.67	25.24
Liability recognized in the financial statements	58.72	51.67	25.24
Amount recognised in Statement of Profit and Loss	7.05	28.22	25.24

### 35 Contingent Liabilities & Commitments

Particulars	For the Period 30th Jun,2023	As at March 31,2023	As at March 31,2022	As at March 31,2021
<b>(1) Contingent liabilities (to the extent not provided for)</b>				
<b>(A) Guarantee</b>				
(a) Corporate guarantee on behalf of its related parties to secure financial facilities				
Bhumika Enterprises Private Limited	4,202.53	4,090.88	-	-
(b) Co-Borrower on behalf of its related parties to secure financial facilities				
Bhumika Enterprises Private Limited	4,825.73	5,000.00	-	-
<b>(B) Claims against Company, disputed by the Company, not acknowledged as debt:</b>				
(a) Income Tax demand	14.44	8.23	-	-
<b>(2) Commitments as at year end: (to the extent not provided for)</b>				
<b>(A) Capital Commitments:</b>				
<b>(B) Other Commitments:</b>				

36 The Company is a Small and Medium Sized Company (SMC) as defined in the General Instruction in respect of Accounting Standard notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standard as applicable to a Small and Medium Sized Company.

### 37 Security of current assets against borrowings - Details of Quarterly statements filed by the Company with banks.

Company has taken borrowings from banks on the basis of security of current assets for which quarterly statements of current assets filed by the company with banks are in agreement with the books of accounts and there is no material discrepancies.





38 Other Notes -

- a Contingent liabilities to the extent not provided for - NIL  
b Sundry Advances, Sundry Debtors, Sundry Creditors are subject to confirmation  
c There are no amounts due and outstanding to be credited to Investor Education and Protection Fund  
d Earning in foreign exchange/ Expenditure in foreign currency - NIL  
e No Revaluation of Property, Plant and Equipment done during the year  
f No Charges yet to be registered with ROC as at the end of year  
g Company has made/taken following provision in Revenue -

Particulars	For the Period 30th Jun,2023	As at March 31,2023	As at March 31,2022	As at March 31,2021
Revenue (Other Operating Income) booked on Provisional basis		374.86	-	-
Revenue (Subvention fee recovery) is accrued on a monthly basis which is actualized on a timely basis				
Revenue (Seller Protection Fund - Cross charge Revenue) are accrued on monthly basis, based on the estimated claims				
Revenue reversed (i.e Sales Return) on Provisional basis - Returns in Transit and Expected Returns	675.66	736.58	119.36	
For Returns yet to be received at the warehouse, provision for sales returns is created. Also Returns in future period against the current period sales has also been provided for, on the basis of past experience				
Revenue reversed (i.e Sales Return) on Provisional basis - Open Shipments		101.88		
Provision for open shipment refers to shipments undelivered for more than 120 days				

39 Additional disclosures as required under Schedule III of the Companies Act, 2013 of the Enterprises Consolidated as Associates

Name of Entity	Amount (in Lacs) as on 30th June'23	Amount (in Lacs) FY2022-23	Amount (in Lacs) FY2021-22	Amount (in Lacs) FY2020-21
Parent - Kaushalya Logistics Pvt Ltd	214.37	705.67	376.31	299.69
Associates- Uddhav Properties Ltd	0.28	1.15	0.72	1.28
Total	214.65	707.02	377.02	300.96

Name of Entity	%of Consolidated Profit & Loss As on 30th June'23	%of Consolidated Profit & Loss FY2022-23	%of Consolidated Profit & Loss FY2022-23	%of Consolidated Profit & Loss FY2021-22
Parent - Kaushalya Logistics Pvt Ltd	99.87%	99.84%	99.81%	99.58%
Associates- Uddhav Properties Ltd	0.13%	0.16%	0.19%	0.42%
Total	100.00%	100.00%	100.00%	100.00%

40 Statements of Adjustments to the Reinstated Consolidated Financial Information

There are no restatement adjustments made to the restated consolidated financial information of the company for the period/year ended 30 June 2023, 31 March 2023, 31 March 2022, 31 March 2021

41 Previous year figures have been regrouped/ rearranged wherever considered necessary.

IN TERMS OF OUR REPORT OF EVEN DATE

FOR K N GUTGUTIA & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 304153E

(B R Goyal)  
PARTNER  
M. NO.12172

PLACE : NEW DELHI  
DATE : 18/11/2023

For and on behalf of the board  
For Kaushalya Logistics Limited

(Uddhav Poddar)  
Director  
DIN: 00688181

(Ram Gopal Choudhary)  
Director  
DIN: 00637502



## OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company for the stub period June 30, 2023 and years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available at [www.kaushalya.co.in](http://www.kaushalya.co.in). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, 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 to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLM, nor any of their respective employees, directors, shareholders, affiliates, agents, advisors 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 derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(In Lakhs)

Particulars	Stub Period: June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Basic earnings per share <sup>1</sup> (in ₹)	142.91	470.58	250.87	199.79
Diluted earnings per share <sup>2</sup> (in ₹)	142.91	470.58	250.87	199.79
EBITDA <sup>3</sup> (in ₹ lakhs)	425.14	1,387.57	832.65	542.63
Net worth <sup>4</sup> (in ₹ lakhs)	2,148.29	1,933.64	1,226.62	849.60
Return on net worth <sup>5</sup> (%)	39.91*	36.50	30.68	35.27
Net asset value per Equity Share <sup>6</sup> (in ₹)	1,432.19	1289.09	817.75	566.40

\*Annualized

Notes:

- 1) Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year, read with note 1 above
- 2) Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year, read with note 1 above
- 3) Earning before interest, tax, depreciation and amortisation (EBITDA) = Restated profit/(loss) for the respective year + tax expenses + finance costs + depreciation and amortisation.
- 4) 'Net worth': Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.
- 5) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year
- 6) Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements after adjustment for Bonus Shares issued during the year.
- 7) The figures disclosed above are based on the Restated Financial Statements.

(The remainder of this page is intentionally left blank)

## STATEMENT OF FINANCIAL INDEBTEDNESS

Our Company has availed certain loans in the ordinary course of business for the purposes including meeting its working capital requirements. As on the date of filing of this RHP, the overall borrowings of our Company do not exceed the overall limit as specified under Section 180(1)(c) of the Companies Act, 2013.

Following is a summary of our Company's outstanding borrowings as on September 30, 2023:

(₹. In Lakh)				
Bank Loan	30-Sep-23	2022-23	2021-22	2020-21
<b>Secured Loan:</b>				
Term Loan from Bank/NBFC	4565.07	3186.03	2513.12	1096.455
Bank OD/DLOD	1226.85	1289.5	998.09	707.65
Vehicle loan	5.36	7.04	10.13	30.68
Other Term Loan Secured	72.67	101.76		
<b>Unsecured Loan:</b>				
Loan From Related Parties	138.48	140.09	160.27	-
Loan From Other Parties	31.64	31.64	29.61	53.34
<b>Total</b>	<b>6040.07</b>	<b>4756.06</b>	<b>3711.22</b>	<b>1888.13</b>

Details of the secured credit facilities obtained by the Company from various banks and financial institutions are as follows:

Sl. no	Name of Bank	Type of Facility	Date	Sanction Amount /Takeover Amount (₹ in lakh)	Rate of Interest	Details of Security	Moratorium/ Tenor	Outstanding Balance as on September 30, 2023 (₹ in lakh)
1	YES Bank Limited. Udaipur	Term Loan	September 27, 2022	129.60	EBLR+ Spread 3.85% EBLR is RBI's Repo Rate ROI 9.25% at the time of the sanction.  Current Repo Rate is 6.50 %.  The rate of interest shall be reset quarterly based on existing Repo Rate notified by RBI.	Mortgage of Unit No. M002A Ground Floor, Urban Square Plot No. F-210 – 223, Udyog Vihar, RIICO Industrial Area, Sukher Udaipur, Rajasthan – 313001  Mortgage of Unit No. M001A, Ground Floor, Urban Square Plot No. F-210 – 223, Udyog Vihar, RIICO Industrial Area, Sukher Udaipur, Rajasthan – 313001  Mortgage of Unit No. M010A, Ground Floor, Urban	1 Month from the date of first Disbursement/  One instalment of ₹.0.40 Lakh in October 2022, one instalment of ₹.0.80 Lakh in November 2022, one instalment of ₹. 0.82 Lakh in December 2022 and thereafter equated monthly instalment of ₹.0.97 Lakh for 177 months.	119.69

						<p>Square Plot No. F-210 – 223, Udyog Vihar, RIICO Industrial Area, Sukher Udaipur, Rajasthan – 313001</p> <p>Mortgage of Unit No. M006A, Ground Floor, Urban Square Plot No. F-210 – 223, Udyog Vihar, RIICO Industrial Area, Sukher Udaipur, Rajasthan – 313001</p> <p>Creation of Charge on the mortgaged</p> <p>Uddhav Poddar and Bhumika Realty Private Limited are co-borrowers</p>		
2.	ICICI Bank	Drop Line Overdraft	Renewed on: May 29, 2023	600.70	I-MCLR-1y+ Spread (0.5%) (current interest 8.75+0.5%)	<p>Exclusive charge on Hypothecation of movable properties, current assets and receivables.</p> <p>Mortgage of premises of Uddhav Poddar at 504 Block-E GK-2 New Delhi</p> <p>Personal guarantee of Uddhav Poddar</p>	N.A/ 84 Months to be reduced by ₹.71 Lakh every month	<b>427.99</b>
3.	ICICI Bank	Overdraft	May 29, 2023	800.00	I-MCLR-6m + Spread (3%) (the current rate 8.70+0.55%)	<p>Exclusive charge on Hypothecation of movable properties, current assets and receivables.</p> <p>Mortgage of premises of Uddhav Poddar at 504 Block-E GK-2 New Delhi</p> <p>Personal guarantee of Uddhav Poddar</p>	N.A/ 12 months	<b>798.86</b>

4.	ICICI Bank	Working Capital Term Loan	May 29, 2023	700.00	I-MCLR-1y+ Spread (0.5%) (current interest 8.75+0.5%)	<p>Exclusive charge on Hypothecation of movable properties, current assets and receivables.</p> <p>Mortgage of premises of Uddhav Poddar at 504 Block-E GK-2 New Delhi</p> <p>Personal guarantee of Uddhav Poddar and corporate guarantee of Bhumika Realty Private Limited</p>	N.A/ 48 months	<b>641.67</b>
5.	ICICI Bank	Rupee Term Loan	March 29, 2022	830.80	<p>Repo Rate + Spread (3%)</p> <p>Repo Rate to reset after every 3 months</p> <p>Effective Rate of Interest as on September 12, 2023 is 9.5%</p>	<p>Exclusive charge on Hypothecation of movable properties, current assets and receivables.</p> <p>Mortgage of premises of Uddhav Poddar at 504 Block-E GK-2 New Delhi</p> <p>Personal guarantee of Uddhav Poddar</p>	24 months from the date of disbursement/ 84 months	<b>630.19</b>
6.	ICICI Bank	Emergency Credit Line	March 29, 2022	96.00	<p>Repo Rate + Marker which shall be decided by the bank from time to time.</p> <p>At present The Repo Rate is 6.5% as on September 12, 2023</p> <p>Repo Rate to reset after every 3 months</p>	<p>Second Charge on Hypothecation of movable properties, current assets and receivables.</p> <p>Mortgage of premises of Uddhav Poddar at 504 Block-E GK-2 New Delhi</p> <p>Personal guarantee of Uddhav Poddar</p>	24 months/ 36 months	<b>95.43</b>

7.	ICICI Bank	Rupee Term Loan	March 29, 2022	72.82	Repo Rate + Spread (3%)  Repo Rate to reset after every 3 months  Effective Rate of Interest as on September 12, 2023 is 9.5%	Exclusive charge on Hypothecation of movable properties, current assets and receivables.  Mortgage of premises of Uddhav Poddar at 504 Block-E GK-2 New Delhi  Personal guarantee of Uddhav Poddar	N.A/ 84 months	<b>57.22</b>
9.	LIC Housing Finance Jaipur	Term Loan	February 2, 2023	560.00	11.85% per annum floating (subject to change)	Mortgage of Shop no. M012, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil- Bada Gaon, Udaipur Rajasthan.  Uddhav Poddar is a co-borrower	N.A/ 180 months	<b>552.62</b>
10.	LIC Housing Finance Jaipur	Term Loan	September 18, 2023	109	11.85% per annum floating (subject to change)	Mortgage of Shop no. M012, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil- Bada Gaon, Udaipur Rajasthan.  Uddhav Poddar is a co-borrower	N.A/ 180 months	<b>99.41</b>
10.	HDFC Bank	Term Loan	July 5, 2023	1,900.00	Policy Repo Rate (6.5) + Spread (2.3%) (Current rate is 8.8%)  Repo Rate to reset after every 3 months	Mortgage of Units No. M001 to M010, Ground Floor, Urban Square Plot No. F-210 – 223, Udyog Vihar, RIICO Industrial Area, Sukher Udaipur, Rajasthan – 313001  Uddhav Poddar and Bhumika Realty Private Limited are co-borrowers	1 month/ 120 months	<b>1871.60</b>
11.	HDB Financia	Working	March 31, 2023	357.00	FRR (-9.5% per annum)	Mortgage of Unit no. M016, Urban	N.A/ 84 months	<b>343.24</b>

	l Services, Hyderab ad	Capital Term Loan			floating (subject to change)	<p>Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil-Bada Gaon, Udaipur Rajasthan.</p> <p>Mortgage of Unit no. M017, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil-Bada Gaon, Udaipur Rajasthan.</p> <p>Mortgage of Unit no. M018, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil-Bada Gaon, Udaipur Rajasthan.</p> <p>Uddhav Poddar and Bhumika Realty Private Limited are co-borrowers</p>		
12.	HDB Financia l Services, Hyderab ad	Worki ng Capital Term Loan	August 29, 2023	154.00	MRR (-9.6% per annum) floating (subject to change)	<p>Mortgage of Unit no. M016, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil-Bada Gaon, Udaipur Rajasthan.</p> <p>Mortgage of Unit no. M017, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil-Bada Gaon, Udaipur Rajasthan.</p> <p>Mortgage of Unit no. M018, Urban Square, Ground floor, RIICO Industrial Area, Sukher, Tehsil-Bada Gaon, Udaipur Rajasthan.</p>	N.A/ 60 months	<b>154.00</b>

						Udaipur Rajasthan.  Uddhav Poddar and Bhumika Realty Private Limited are co- borrowers		
13.	Siemens Financial Services	Refinance for DG Set	January 24, 2023	32.00	10% p.a	1010 KVA silent DG Set of value ₹.60 lakh	24 months	<b>22.05</b>
14.	Siemens Financial Services	Refinance for DG Set	October 22, 2022	89.00	10% p.a	1500 KVA silent DG Set of value ₹.106 lakh	24 months	<b>50.62</b>

**Apart from general restrictive covenants prevailing in Banking Industry, specific restrictive covenants attached to secured loan are as under:**

1. No borrowing from other banks/financial Institution on the security of assets mortgaged/hypothecated to Bank without prior permission of the Bank.
2. Not to undertake any change in the shareholding/directorship/ownership before obtaining prior permission of the Bank.
3. No payment of dividend and director remuneration if repayment of credit facilities given by bank/financial institution is defaulted.
4. Not to appoint director, a person who has been declared as defaulter by RBI.
5. Not to grant loans to group company(s) without any interest. (Interest Free)
6. All property owners to be taken as co applicant in case of mortgage.

**Specific conditions imposed by ICICI Bank:**

1. Even remuneration paid to directors shall be subservient to the interest payable to the bank.
2. The Company has to churn entire routing with ICICI Bank within 3 months from the date of disbursement.
3. Churning with the named major online e-commerce platform will be exclusively with ICICI Bank.
4. Collateral cover to be maintained at 90% and in case there is any shortfall additional security to be provided to the bank.
5. Company has to route rentals to be received out of shops purchases from Bhumika Enterprises, Urban Square Mall, Udaipur with the Bank covenants
6. The audited figures of EBIDTA, NCA, ATNW, TOL/ATNW and Current Ratio should not vary by more than 10% from the provisional or projections.
7. Two recourse Cheques in favor of ICICI Bank for one for enhanced facility amount and one for two quarters interest of enhanced amount assuming the full utilization as to be submitted.

**Specific conditions imposed by HDB Financial Services:**

1. Repayment to be taken from ICICI account no-2793

**Specific conditions imposed by HDFC Bank:**

1. 30% of the business transaction to be routed through HDFC Account.

**List of Vehicle Loans secured by hypothecation:**

Sl. no	Name of the Lender	Vehicle Purchased	Loan Amount (₹ In Lakh)
1	HDFC Bank	Swift Dzire	0.29
2	HDFC Bank	Ertiga	5.07
	<b>TOTAL</b>		<b>5.36</b>



**Unsecured Loans:**

Sl no.	Name of the Entity/ Person	Amount (₹ In Lakh)
<b>Related Parties</b>		
1	Anubhav Minerals Private Limited	9.79
2	Bhumika Realty Private Limited	20.70
3	Uddhav Properties Limited	107.99
<b>Unrelated Parties</b>		
4	Mayur Saraogi	31.64
<b>TOTAL</b>		<b>170.12</b>

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial for the period ended June 30, 2023 and years ended March 31, 2023, 2022 , 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Statement, as Restated" on page 142 of the Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 28 of this Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 21 of this Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Kaushalya Logistics Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements the financial for the period ended June 30, 2023 and years ended March 31, 2023, 2022 and 2021 included in this Red Herring Prospectus beginning on page 142 of this Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

Our Company is into business of providing Clearing and Forwarding services to one of the leading cement company in India and is also engaged in the selling of electronic and white good products on online e-commerce platform. The Company has also ventured into the business of renting of commercial properties during the FY 2022-23.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS**

After the date of last Audited accounts i.e. for the period June 30, 2023 and March 31, 2023, the Directors of our Company confirm that, there have not been any significant material developments.

### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. There are outstanding litigation proceedings involving our Company and Group Companies, an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.
2. The Registered Office, Branch Offices and warehouses of our Company are not owned by us.
3. Substantial portion of our profits has been dependent upon logistics business which has only one major customer. The loss of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.
4. Certain discrepancies/errors have been noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.
5. Non stamping of Gift Deeds for the shares acquired by the Promoters.
6. Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.
7. We require a number of approvals, licenses, registration and permits for our business and failure to obtain or renew them in a timely manner may adversely affect our operations.

8. We are dependent on third party transportation providers for delivery of product to us from our suppliers and delivery of our products to our customers. Any failure on part of such service providers to meet their obligation could have a material adverse effect on our business, financial condition and results of operations.

9. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations

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

## DISCUSSION ON RESULT OF OPERATION

### *Our Significant Accounting Policies*

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “*Restated Financial Statements*” beginning on page 142 of the Red Herring Prospectus.

### *Overview of Revenue & Expenditure*

Our revenue and expenses are reported in the following manner:

#### Revenues

##### ◆ Revenue of operations

Our Company’s revenue is primarily generated from the selling of Electronics and White Good on one of the major online e-commerce platform and providing of C&F services to leading cement company in India.

Our Company was originally operating only into logistics business and it was only in January, 2022 that it has diversified into e-commerce business which is primarily a trading activity wherein the Company is involved in buying and selling of electronic products on one of major online e-commerce trading platform. For reference in FY 2022, our revenue from logistics was Rs.3,765.63 Lakhs and our revenue from e-commerce was Rs.2,195.62 Lakhs (started only in January, 2022). However, in FY 2023 our revenue from logistics has risen by 37.92% to Rs. 5,193.82 where as our revenue from the e-commerce business has increased by 2508% to Rs. 57,264.13 Lakhs. It may be noted that the increase in the revenue from e-commerce appears to be sharp because in the FY 2022, the business was in its emerging stage and the figures were only for the last quarter of the financial year, as this business segment was only started in last quarter of that year and in the next year the figures are for all the four quarters and the business had also stabilized by then. The total revenue of the Company has increased from Rs.6,358.92 Lakhs in FY 2022 to Rs. 63,216.41 Lakhs in FY 2023 because the revenue from e-commerce has increased from Rs.2,195.62 Lakhs to Rs.57,264.13 Lakhs. The total PAT of the Company has nearly doubled from FY 2022 to FY 2023 i.e., from Rs. 376.31 Lakhs to Rs.705.87 Lakhs. However, since the margins are lower in trading activity the total increase in the PAT is not commensurate with the increase in the revenue of the Company.

##### ◆ Other Income

Our other income mainly consists of interest from banks, return on investments and Rent Income.

(₹ In Lakh)

Particulars	For stub period	For the period ended		
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Income</b>				
Revenue from operations	56,837.41	62,462.35	6,028.75	3,140.32
As a % of total Income	99.62%	98.81%	9.54%	4.97%
Other Income	215.75	754.07	330.17	188.08
As a % of Total Income	0.38%	1.19%	0.52%	0.30%
<b>Total Revenue</b>	<b>57,053.16</b>	<b>63,216.41</b>	<b>6,358.92</b>	<b>3,328.40</b>

## Expenditure

Our total expenditure primarily consists of Purchases, Operating expenses, Employee Benefit Expenses, Finance Costs and Other Expenses.

### ♦ Operating Income

It includes Freight and Depot Operations Charges paid by the Company in carrying and holding of cement for the clients.

### ♦ Employment Benefit Expenses

It includes wages, salaries and bonus, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

### ♦ Cost of Services Consumed

This relates to the cost of services availed by the Company for the clients including payment to cargo, transporters and warehouse changes.

### ♦ Other Expenses

It includes Market place expenses, shipping charges, legal and professional expenses, rent paid, Travelling and conveyance, Vehicles, Running and Maintenance charges, Repair and Maintenance charges, communication charges, Insurance Expense, Printing and Stationery, Office Maintenance, Water & Electricity Charges, Donation, Technology infrastructure charges, Fees & Subscription, Advertisement & Business Promotion Expenses, Rates & Taxes, Payment to Auditor, Loss on Sale/Discard of Assets, CSR Expenses, Miscellaneous Expenses

### ♦ Finance Costs

Our finance costs mainly include finance charges and interest.

### ♦ Depreciation

Depreciation includes depreciation and amortization.

## RESULTS OF OUR OPERATION

(₹ In Lakh)

Particulars	June 30, 2023	31-Mar-23	31-Mar-22	31-Mar-21
<b>Incomes:</b>				
Revenue from Operations	56,837.41	62,462.35	6,028.75	3,140.32
% of total revenue	99.62%	98.81%	94.81%	94.35%
% Increase/(Decrease)	-	936.07%	91.98%	-
Other income	215.75	754.07	330.17	188.08
% of total revenue	0.38%	1.19%	5.19%	5.65%
% Increase/(Decrease)	-	128.39%	75.54%	-
<b>Total Revenue</b>	<b>57,053.16</b>	<b>63,216.41</b>	<b>6,358.92</b>	<b>3,328.40</b>
% Increase/(Decrease)	-	894.14%	91.05%	-
<b>Expenses:</b>				
Cost of Services consumed	53,817.61	56,358.55	4,516.50	2,161.57
% of total revenue	94.33%	89.15%	71.03%	64.94%
% Increase/(Decrease)	-	1147.84%	108.95%	-
Employee Benefit expenses	153.49	545.27	422.90	389.60
% of total revenue	0.27%	0.86%	6.65%	11.71%
% Increase/(Decrease)	-	28.94%	8.55%	-
Other Expenses	2,656.92	4,925.02	586.87	234.60
% of total revenue	4.66%	7.79%	9.23%	7.05%
% Increase/(Decrease)	-	739.21%	150.16%	-

Particulars	June 30, 2023	31-Mar-23	31-Mar-22	31-Mar-21
<b>Total Expense</b>	<b>56,628.02</b>	<b>61,828.84</b>	<b>5,526.27</b>	<b>2,785.77</b>
% of total revenue	99.25%	97.81%	86.91%	83.70%
% Increase/(Decrease)	-	1018.82%	98.37%	-
<b>Profit before Interest, Depreciation and Tax</b>	<b>425.14</b>	<b>1,387.57</b>	<b>832.65</b>	<b>542.63</b>
% of total revenue	0.75%	2.19%	13.09%	16.30%
Depreciation and amortization Expenses	5.87	24.80	31.97	32.29
% of total revenue	0.01%	0.04%	0.50%	0.97%
% Increase/(Decrease)	-	-22.43%	-0.97%	-
<b>Profit before Interest and Tax</b>	<b>419.27</b>	<b>1,362.77</b>	<b>800.68</b>	<b>510.34</b>
% of total revenue	0.73%	2.16%	12.59%	15.33%
Financial Charges	132.75	426.48	277.99	111.52
% of total revenue	0.23%	0.67%	4.37%	3.35%
% Increase/(Decrease)	-	53.41%	149.27%	-
<b>Profit before Tax and Extraordinary Expenses</b>	<b>286.52</b>	<b>936.30</b>	<b>522.69</b>	<b>398.82</b>
% of total revenue	0.50%	1.48%	8.22%	11.98%
Extraordinary Expenses	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
<b>Restated Profit/(Loss) before tax</b>	<b>286.52</b>	<b>936.30</b>	<b>522.69</b>	<b>398.82</b>
% of total revenue	0.50%	1.48%	8.22%	11.98%
% Increase/(Decrease)	-	79.13%	31.06%	-
<b>Tax expenses/(income)</b>	<b>-</b>			
Current Tax	73.96	245.72	148.13	117.39
Provisions for Deferred Tax	-1.81	-16.17	-3.97	-17.92
Tax adjustments related to earlier years	-	0.88	2.22	-0.34
<b>Total tax expenses</b>	<b>72.15</b>	<b>230.43</b>	<b>146.38</b>	<b>99.13</b>
% of total revenue	<b>0.13%</b>	0.36%	2.30%	2.98%
Add/Less: Share in Profit / Loss of Associate Company	0.28	1.15	0.72	1.28
<b>Restated profit/(loss) after Tax</b>	<b>214.65</b>	<b>707.02</b>	<b>377.02</b>	<b>300.96</b>
% of total revenue	0.38%	1.12%	5.93%	9.04%
% Increase/(Decrease)	-	87.53%	25.27%	-

*Our income is dependent upon few major customers, details of the same is as following:*

Particulars	Stub Period June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %
Top five customers	1,300.30	2.29	4,953.58	7.93	3,729.63	61.86	3,140.32	100.00
Top ten customers	1,300.30	2.29	4,953.58	7.93	3,729.63	61.86	3,140.32	100.00

## **FOR THE PERIOD ENDED JUNE 30, 2023**

### **Income**

Our revenue from operations for the period ended June 30, 2023 was Rs. 56,837.41 Lakhs which is 99.622% of the total revenue and which includes sale of goods.

### **Other Income**

Our other income for the period ended June 30, 2023 was Rs.215.75 Lakhs which was about 0.38 % of total revenue.

### **Expenditure**

#### **Cost of Services Consumed**

Cost of material consumed for the period ended June 30, 2023 was Rs. 53,817.61 Lakhs which was about 94.33 % of the total revenue and which includes purchase of inventory.

#### **Employee Benefit Expenses**

The employee benefits expenses for the period ended June 30, 2023 were Rs. 153.49 Lakhs which was about 0.27 % of the total revenue and which include salaries and other benefits, contribution to Provident fund and other funds and staff welfare expenses.

#### **Finance Costs**

Financial costs for the period ended June 30, 2023 were Rs. 132.75 Lakhs which was about 0.23% of the total revenue and which consists of include interest expense on borrowings and Bank Charges & Commission.

#### **Depreciation & Amortization Expenses**

Depreciation for the period ended June 30, 2023 were Rs. 5.87 Lakhs which was about 0.01 % of the total revenue and which consists of depreciation of tangible assets and amortization of intangible assets.

#### **Other Expenses**

The other expenses for the period ended June 30, 2023 were Rs. 2,656.92 Lakhs which was about 5.87% of the total revenue and which includes Market place expenses, shipping charges, legal and professional expenses, rent paid, Travelling and conveyance, Vehicles, Running and Maintenance charges, Repair and Maintenance charges, Donation, Technology infrastructure charges.

### **EBIDTA**

Our EBITDA for the period ended June 30, 2023 were Rs. 425.14 Lakhs.

### **Net Profit after Tax and Extraordinary items**

Net Profit after Tax and Extraordinary items for the period ended June 30, 2023 were Rs. 214.65 Lakhs.

## **FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

### **Income**

Total revenue has increased by ₹56,857.49 Lakh and 894.14 %, from ₹6,358.92 Lakh in the fiscal year ended March 31, 2022 to ₹ 63,216.41 Lakh in the fiscal year ended March 31, 2023. The increase in revenue was on account of sale of electronic products on the major online e-commerce platform.

### **Expenditure**

Total Expenditure increased by ₹56,302.57 Lakh and 1018.82%, from ₹ 5,526.27 Lakh in the fiscal year ended March 31, 2022 to ₹ 61,828.84 Lakh in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due

to increase in cargo handling services offered and increase volume of operations

### **Cost of Services Consumed**

Cost of Material Consumed increased by ₹ 51,842.04 Lakh and 1147.84%, from ₹4,516.50 Lakh in the fiscal year ended March 31, 2022 to ₹ 56,358.55 Lakh in the fiscal year ended March 31, 2023. Cost of Services consumed was increased mainly due to increase volume of operations.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by ₹ 122.38 Lakh and 28.94% from ₹422.90 Lakh in the fiscal year ended March 31, 2022 to ₹545.27 Lakh in the fiscal year ended March 31, 2023. Overall employee cost was increased due to general increment in salary and incentives to employees.

### **Finance Costs**

Finance Costs in terms of value and percentage increased by ₹ 148.48 Lakh and 53.41% from ₹ 277.99 Lakh in the fiscal year ended March 31, 2022 to ₹ 426.48 Lakh in the fiscal year ended March 31, 2023. Finance Costs was increased mainly due to higher interest outgo and increased borrowings.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value decreased by ₹7.17 Lakh and 22.43% from ₹ 31.97 Lakh in the fiscal year ended March 31, 2022 to ₹ 24.80 Lakh in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase in assets and is general in nature.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by ₹ 4,338.15 Lakh and 739.21% from ₹ 586.87 Lakh in the fiscal year ended March 31, 2022 to ₹4,925.02 Lakh in the fiscal year ended March 31, 2023. Other Expenses was increased mainly due to increase in Market place expenses, shipping charges, legal and professional expenses, rent paid, Travelling and conveyance, Vehicles, Running and Maintenance charges, Repair and Maintenance charges, Donation, Technology infrastructure charges.

### **EBIDTA**

Profit before exceptional & extraordinary items and Tax has increased by ₹413.61 Lakh and 79.13% from ₹522.69 Lakh in the fiscal year ended March 31, 2022 to ₹936.30 Lakh in the fiscal year ended March 31, 2023. Profit before exceptional & extraordinary items and Tax was increased due to increase higher cargo handling and increase volume of operations.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by ₹330.00 Lakh and 87.53% from profit of ₹ 377.02 Lakh in the fiscal year ended March 31, 2022 to profit of ₹ 707.02 Lakh in the fiscal year ended March 31, 2023. Net profit was increased due to increase in revenue from operations and increase in profit margins.

## **FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021**

### **Income**

Total revenue has increased by ₹3,030.52 Lakh and 91.05%, from ₹3,328.40 Lakh in the fiscal year ended March 31, 2021 to ₹6,358.92 Lakh in the fiscal year ended March 31, 2022. The increase in revenue was on account of higher cargo handling and increase volume of operations.

### **Expenditure**

Total Expenditure increased by ₹2,740.49 Lakh and 98.37%, from ₹2,785.77 Lakh in the fiscal year ended March 31, 2021 to ₹5,526.27 Lakh in the fiscal year ended March 31, 2022. Overall expenditure was increased mainly due to increase in cargo handling services offered and increase volume of operations.

### Cost of Services Consumed

Cost of Services Consumed increased by ₹2,354.93 Lakh and 108.95%, from ₹2,161.57 Lakh in the fiscal year ended March 31, 2021 to ₹4,516.50 Lakh in the fiscal year ended March 31, 2022. Cost of Services consumed was increased mainly due to increase volume of operations.

### Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by ₹33.29 Lakh and 8.55% from ₹389.90 Lakh in the fiscal year ended March 31, 2021 to ₹422.90 Lakh in the fiscal year ended March 31, 2022. Overall employee cost was increased due to general increment in salary and incentives to employees.

### Other Expenses

Other Expenses in terms of value and percentage decreased by ₹352.27 Lakh and 150.16% from ₹234.60 Lakh in the fiscal year ended March 31, 2021 to ₹586.87 Lakh in the fiscal year ended March 31, 2022. Other Expenses was decreased mainly due to decrease in Commission & Incentives Expenses and Professional Fees.

### EBIDTA

Profit Before Exceptional & Extraordinary Items and Tax has increased by ₹123.87 Lakh and 31.06% from ₹398.82 Lakh in the fiscal year ended March 31, 2021 to ₹522.69 Lakh in the fiscal year ended March 31, 2022. Profit Before Exceptional & Extraordinary Items and Tax was increased due to increase higher cargo handling and increase volume of operations and reduction in other expenses.

### Finance Costs

Finance Costs in terms of value and percentage increased by ₹166.47 Lakh and 149.27% from ₹111.52 Lakh in the fiscal year ended March 31, 2021 to ₹277.99 Lakh in the fiscal year ended March 31, 2022. Finance Costs was decreased mainly due to lower interest outgo.

### Depreciation & Amortization Expenses

Depreciation in terms of value decreased by ₹0.31 Lakh and 0.97% from ₹32.29 Lakh in the fiscal year ended March 31, 2021 to ₹31.97 Lakh in the fiscal year ended March 31, 2022. Increase in depreciation is general in nature.

### Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹76.06 Lakh and 25.24% from profit of ₹300.96 Lakh in the fiscal year ended March 31, 2021 to profit of ₹377.02 Lakh in the fiscal year ended March 31, 2022. Net profit was increased due to increase in revenue from operations and decrease in other expenses.

### Cash Flows

(Amount ₹ in lakh)

Particulars	For stub period	For the year ended March 31,		
	June 30, 2023	2023	2022	2021
Net Cash from Operating Activities	(188.41)	350.74	497.55	(13.32)
Net Cash from Investing Activities	(413.11)	(1,000.77)	(2,001.33)	(598.99)
Net Cash used in Financing Activities	599.69	618.37	1,545.10	573.19

#### Cash Flows from Operating Activities

Net cash from operating activities for the period ended June 30, 2023 was at (188.41) and for the fiscal 2023 was at ₹350.74 lakh as compared to the Profit Before Interest, Depreciation and Tax at ₹1,387.57 lakh, while for fiscal 2022, net cash from operating activities was at ₹497.55 lakh as compared to the Profit Before Interest Depreciation and Tax at ₹832.65 lakh. For fiscal 2021, the net cash from operating activities was ₹(13.32) lakh compared to Profit before Interest, Depreciation and Tax of ₹542.63 lakh.

#### Cash Flows from Investment Activities

Net cash from investing activities for period ended June 30, 2023 was at (413.11) and for the fiscal 2023 was at ₹(1,000.74) lakh due to additions in increase in Fixed Assets, while for fiscal 2022, net cash from investing activities was



at ₹ (2,001.33) lakh due to investment in Fixed Assets. For fiscal 2021, the net cash from investing activities was ₹ (598.99) lakh.

#### ***Cash Flows from Financing Activities***

Net cash from financing activities for period ended June 30, 2023 was at 599.69 and for the fiscal 2023 was at ₹ 618.37 lakh due to interest payment, while for fiscal 2022, net cash from financing activities was at ₹ 1,545.10 lakh due to higher amount of borrowings. For fiscal 2021, the net cash from financing activities was ₹ 573.19 lakh due to interest payment

### **OTHER MATTERS**

**1. Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on Page 142 and 178 respectively of this Red Herring Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on Page 28 and 178 respectively of this Red Herring Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

**4. Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” beginning on Page 28 of this Red Herring Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

**5. Competition Conditions**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of timely delivery and lower cost. Further, there are no entry barriers in this industry and any expansion in capacity of existing service provided would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal or Civil proceedings (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five (5) Financial Years, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“Materiality Policy”), in each case involving our Company, Promoters and Directors (the “Relevant Parties”).

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on September 20, 2023 and has considered for identification of material litigation involving the Relevant Parties.

In terms of the Materiality, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters since incorporation including outstanding action, and tax matters, would be considered ‘material’ if:

- a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹.1,200 lakh shall be considered material; or
- b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or outstanding dues to small scale undertakings and other

Our Board, in its meeting held on September 20, 2023 determined that outstanding dues to creditors in excess of ₹.263 lakh as per the restated financials for the Financial year ended March 31, 2023 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Red Herring Prospectus.

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at [www.dipnapharmachem.com](http://www.dipnapharmachem.com). It is clarified that for the purposes of the above, pre – litigations notices received by our Company Promoters, and the Directors shall, unless otherwise decided by the Board, not be considered as material litigations until such time that litigations proceedings are initiated before any judicial forum.

### PART I –LITIGATIONS INVOLVING OUR COMPANY

#### A. LITIGATIONS AGAINST OUR COMPANY

##### 1) Criminal Cases

An accident took place when the Company driver was driving vehicle owned by the company and one Luvkush s/o Jagannath was injured who later succumbed to his injuries and died. A bystander who witnessed the accident lodged an FIR. Based on this FIR no.94 of 2023 with Police Station Chitranjan Park, the vehicle was impounded and taken on Superdari. Subsequently, Misc Criminal Case was registered for the release of Superdari of the vehicle no. DL 3SEH 9252 under section 279 and 304A of IPC. On May, 2023 the learned Metropolitan Magistrate disposed of the matter by ordering the release of the vehicle.

However, the deceased’s mother Jogeswari filed claim for compensation, numbering MiscDJ/781/2023 from the Insurance Company and the issuer company before MACT (South-East) Saket Court/ New Delhi. On April 29, 2023 the case was transferred to National Lok Adalat for May 13, 2023. Before the Lok Adalat the parties could not arrive at any settlement. Matter is reverted to MACT where it is still pending.

State has filed a case of negligence against the driver, Dharam Kumar Mandal who was driving the car on behalf of our Company. However, the Company officials may be called by the Court as a witness. Matter is still pending before the Metropolitan Magistrate Court, Saket.

2) **Civil Proceedings**

NIL

3) **Taxation Matters**

There are some outstanding demands from the Income Tax and GST Department against the Company for the following assessment years:

Income Tax

SL. NO.	ASSESSMENT YEAR	AMOUNT OUTSTANDING (IN RUPEES)
1	2023-24	-
2	2020-21	5,68,310.00
3	2021-22	8,23,060.00
	<b>TOTAL</b>	<b>13,91,370.00</b>

Note: Interest and penalty as per applicable rate will be levied.

GST

SL. NO.	ASSESSMENT YEAR	AMOUNT OUTSTANDING (IN RUPEES)
1	2017-18	6,71,593.00
	<b>TOTAL</b>	<b>6,71,593.00</b>

4) **Proceedings against Our Company for economic offences/securities laws/ or any other law**

NIL

5) **Penalties in Last Five Years**

NIL

6) **Pending Notices against our Company**

NIL

7) **Past Notices to our Company**

NIL

8) **Disciplinary Actions taken by SEBI or stock exchanges against Our Company**

NIL

9) **Defaults including non-payment or statutory dues to banks or financial institutions**

NIL

10) **Details of material frauds against the Company in last five years and action taken by the Companies.**

NIL

11) **Proceedings against the Company by statutory authorities**

A notice dated March 29, 2023 was received by the Company from EPFO regarding non submission of ECR of Rs. 20,102 pertaining to year 2017. The Company has filed its reply dated April 17, 2023 submitting that the Company had already made the payment of pending ₹20,102 by Demand Draft in October, 2017. However, the Company could not submit the ECR as the details of the workers for whom this amount was pending had already left the Company and could not be traced.

**B. LITIGATIONS FILED BY OUR COMPANY**

1) **Criminal Litigations**

NIL

2) **Civil Proceedings**

NIL

## **PART II –LITIGATIONS INVOLVING DIRECTOR(S) OF OUR COMPANY**

### **A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY**

- 1) **Criminal Litigations**  
NIL
- 2) **Civil Proceedings**  
NIL
- 3) **Taxation Matters**  
NIL
- 4) **Past Penalties imposed on our directors**  
NIL
- 5) **Proceedings initiated against our Directors for economic offences/securities laws/ or any other law**  
NIL
- 6) **Directors on list of willful defaulters of RBI**  
NIL

### **B. LITIGATIONS FILED BY DIRECTOR(S) OF OUR COMPANY**

- 1) **Criminal Litigations**  
NIL
- 2) **Civil Proceedings**  
NIL

## **PART III –LITIGATIONS INVOLVING PROMOTERS OF OUR COMPANY**

### **A. LITIGATIONS AGAINST PROMOTERS OF OUR COMPANY**

- 1) **Criminal Litigations**  
NIL
- 2) **Civil Proceedings**  
NIL
- 3) **Taxation Matters**  
NIL
- 4) **Past Penalties imposed on our Promoters**  
NIL
- 5) **Proceedings initiated against our Promoters for economic offences/securities laws/ or any other law**  
NIL
- 6) **Penalties in Last Five Years**  
NIL
- 7) **Litigation /defaults in respect of the companies/Firms/ventures/ with which our Promoters was associated in the past**  
NIL
- 8) **Adverse finding against Promoters for violation of Securities laws or any other laws**  
NIL

### **B. LITIGATIONS FILED BY PROMOTER(S) OF OUR COMPANY**

- 1) **Criminal Litigations**  
NIL

- 2) **Civil Proceedings**  
NIL

**PART IV –LITIGATIONS INVOLVING SUBSIDIARY COMPANY:**

There is no subsidiary of our Company.

**PART V –LITIGATIONS INVOLVING GROUP COMPANIES:**

**A. LITIGATION AGAINST OUR GROUP COMPANIES**

- 1) **Criminal Cases**  
NIL

- 2) **Taxation Matters**

**Anubhav Minerals Private Limited**

SL. NO.	ASSESSMENT YEAR	AMOUNT OUTSTANDING (IN RUPEES)	INTEREST AMOUNT (IN RUPEES)
1	2007-2008	14439	16111
	<b>TOTAL</b>	<b>30,550</b>	

**Bhumika Enterprise Private Limited**

SL. NO.	ASSESSMENT YEAR	AMOUNT OUTSTANDING (IN RUPEES)	INTEREST AMOUNT (IN RUPEES)
1	2007-2008	15,90,540.00	92,360
2	2007-2008	0	63,840
3	2017-2018	37,03,250	0
4	2018-2019	1,82,480	-
5	2019-2020	37	-
	<b>TOTAL</b>	<b>54,76,307</b>	<b>1,56,200</b>
	<b>GRAND TOTAL</b>	<b>(Outstanding + Interest) = ₹. 56,32,507.00</b>	

On the website of Income Tax Department, following amounts of **TDS Liability** are shown as outstanding against the Group Entities

1. Anubhav Minerals Private Limited – ₹. 9270.00
2. Bhumika Cinema LLP- ₹.4800.00
3. Uddhav Properties Limited- ₹.2160.00

- 3) **Past Penalties imposed on our Group Companies**  
NIL

- 4) **Proceedings initiated against our Group Companies for economic offences/securities laws/ or any other law**

**Notice Received from EPFO by BEPL**

BEPL had received Notice dated March 22, 2023 from Employees' Provident Fund Organization asking them to deposit the Employees balance contribution and inform their office. In this regard, BEPL have already filed their reply dated April 17,2023 intimating that they have deposited the required amount. Thereafter, no further communication has been received from EPFO.

- 5) **Penalties in Last Five Years**  
NIL

- 6) **Litigation /defaults in respect of the companies/Firms/ventures/ with which our Group Companies were associated in the past**  
NIL

- 7) **Adverse finding against Group Companies for violation of Securities laws or any other laws**  
NIL

## 8) Civil Cases

### Cases against Bhumika Enterprises Private Limited(“BEPL”)

#### 1) Case no. 490/2023- Rupesh Hinger and Priyanka Oswal vs. BEPL

Consumer Complaint was filed by Rupesh Hinger and his wife Priyanka Oswal alleging that they had bought a shop no. GFH-47 in the name of Complainant no. 2 vide Sale Deed dated January 5, 2018, for a consideration of ₹. 22,36,359.00 (consisting of sale amount ₹.19,79,323, GST @12% of ₹.2,38,892, Stamp Duty of ₹. 6,292.00 and RICO charges ₹.1,952). This amount was paid by complainant to the opposite party during August 27, 2017 to July 07, 2022. Subsequently, the complainants made some changes in the executed Sale Deed. It is alleged that balance consideration of ₹.11,05,877 was paid on January 14, 2019 through a cheque and the complainant was assured Interest of ₹. 12,560 per month, till the possession of the unit was handed over. However, the said interest was only paid from January 15, 2019 to March 31, 2021. The complainant has alleged that the opposite party i.e., BEPL neither paid interest nor handed over the possession of the shop to them. Therefore, have claimed refund of ₹. 22, 36, 359 along with interest, ₹. 50,000 on account of mental harassment, ₹. 20,000 for cost of legal proceedings and interest @12,560 with effect from April 01, 2021. They have also claimed interest @1% per month at the aforesaid amounts. BEPL received notice on April 17, 2023 from District Consumer Court, Udaipur. Matter is still pending adjudication.

#### 2) Claim no. RAJ-RERA-C-O-2023-6377- M/s. Nitin Surana HUF Vs. Bhumika Enterprises Private Limited

M/s. Nitin Surana HUF has filed a complaint vide claim no. RAJ-RERA-C-O-2023-6377 on May 27,2023 before Adjudicating Officer RERA, under THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT 2016, for recovery of assured return from July 30, 2021 onwards till November 30, 2021 and thereafter the possession of the unit and rent of the premises from Bhumika Enterprises Private Limited BEPL had received Show Cause Notice dated June 01, 2023 along with the complaint of M/s. Nitin Surana HUF from RERA, through E-mail and was asked to upload their reply within 30 days of the Show Cause Notice. Matter is still pending adjudication.

#### 3) Claim no. RAJ-RERA-C-O-2023-6385 and 6386- Uma Sen and others Vs. Bhumika Enterprises Private Limited

Uma Sen and others has filed claim no. RAJ-RERA-C-O-2023-6385 and 6386 on May 30,2023 before Adjudicating Officer RERA, under THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT 2016, for not handing over the possession and rent w.e.f. April 2023 and also refund of 20% extra payment made by them for the corner shop against Bhumika Enterprises Private Limited BEPL had received Show Cause two Notices both dated June 05, 2023 along with the complaint of Uma Sen and others from RERA, through E-mail and was asked to upload their reply within 30 days of the Show Cause Notice. Matter is still pending adjudication.

#### 4) Claim no. RAJ-RERA-C-O-2023-6379 and 6380- Chetan Singh Mojawat Vs. Bhumika Enterprises Private Limited

Chetan Singh Mojawat has filed claim no. RAJ-RERA-C-O-2023-6379 and 6380 on May 28, 2023 before Adjudicating Officer RERA, under THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT 2016, for not handing over the possession and rent w.e.f. April 2023 and also refund of 20% extra payment made by them for the corner shop and Security Deposit with interest against Bhumika Enterprises Private Limited BEPL have received Show Cause two Notices dated June 01, 2023 and June 07,2023 along with the complaint of Chetan Singh Mojawat from RERA, through E-mail and we have been asked to upload our reply within 30 days of the show cause Notice. Matter is still pending adjudication.

## B. LITIGATION BY OUR GROUP COMPANIES

### 1) Criminal Cases

NIL

### 2) Civil Cases

NIL

**PART VI –DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

NIL

**PART VII –OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

NIL

**PART VIII- OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As on March 31, 2023, our Company had 4 creditors, to whom a total amount of ₹. 4837.49lakh were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated September 20, 2023, which considered creditors to whom the amount due exceeds ₹ 263 lakh as per our Company's restated financials for the purpose of identification of material creditors. No dues are pending to any MSME creditor as on the date of filing of this RHP.

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website: [www.kaushalya.co.in](http://www.kaushalya.co.in) would be doing so at their own risk.

**PART IX- WILFUL DEFAULTER**

Our Promoters and Directors have not been identified as a wilful defaulter in terms of the SEBI ICDR Regulations nor a fugitive offender as on the date of this *Red Herring Prospectus*.

**PART X –MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter - "*Management Discussion and Analysis of Financial Condition and Result of Operation*" on page 178 of this *Red Herring Prospectus*, there have been no material developments, since the date of the last audited balance sheet.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Offer or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

The Company has its business located at the following locations:

**Registered Office:** 19, Community Centre, First and second Floor, East of Kailash, New Delhi – 110065

**Regional Office:**

1. Bearing No. 2/207, 1<sup>st</sup> street, Viduthalai Nagar, S. Kolathur, Chennai – 600129.

**Other Offices:**

2. F-220-223, RIICO Industrial Area, Sukher Badgaon, Udaipur, Rajasthan – 313001
3. Cabin No. 3, Plot No. 986, Sector 82, Janta Industrial Area, Mohali, SAS Nagar, Punjab – 160055
4. CFE Offices 14, 1<sup>st</sup> Floor, Plot No. 6, Mukund Mansion, Ranade Road, Dadar West, Mumbai – 400028
5. Cabin No. 2, Virtual Co-works, No.128-129, PU 4, Scheme No. 54, Indore Madhya Pradesh – 452010
6. 46/4 K No.661/3 – 1114/3, 4, 5 G.B. Palya, Bangaluru Urban, Karnataka – 560068
7. Upstairs Mubarak Workshop, Door No. 1, First Floor, Opp. Essar Petrol Pump, Yerragatti Main Road, Yadwad Circle, Yadwad, Belagavi, Karnataka, 591136
8. Gala Empire, 13<sup>th</sup> Floor, Opp. Doordarshan TV Tower, Drive-in Road, Thaltej, Ahmedabad -380054
9. 3<sup>rd</sup> Floor, Property No. 19, Community Centre, East of Kailash, New Delhi – 110065
10. Cabin No. PP-01, Office No. 513, Progressive Point, Near Lalpur Fruit Market, Raipur, Chhattisgarh – 492000.
11. Office No. 404, Cabin No. 2, Rajendra Enclave, Exhibition Road, Patna, Bihar – 800001
12. 303, Asha Mansion, Bailey Road, IAS Colony, Near Alankar Maruti Showroom, Danapur Cantt Colony, Patna Bihar 801503
13. XXI/455 situated at Puthur Panchayath, Marathakkara Village, Ollur. PO., Thrissur District, Pincode-680306
14. Bearing No. 2/207, 1st Street, Viduthalai Nagar, S. Kolathur, S.Kolathur, Chennai, Tamil Nadu, 600129
15. 3<sup>rd</sup> Floor, Cabin No. 2, Work Studio Co-working, Monal Tower, GS Road, Guwahati, Kamrup, Assam – 781006
16. Ground Floor, Cabin No. 107, AIMS Business Centre, Building No. 57-28-1, Venkadari Block, Old ITI Junction, BRTS Road, Visakhapatnam, Andhra Pradesh – 530008.
17. Cabin No. A1, 229/5331, Gautam Nagar, Bhubaneswar, Khorda, Odisha – 751014
18. Cabin No. 13, 3/2, 75C, Kamdhenu Building, Park Street, Kolkata, West Bengal – 700016
19. Cubicle Workzone LLP, F-294, Sector 63, Noida, UP – 201301
20. 79, District Jail Road, Harpur, Pijara, Mau, Uttar Pradesh, 275101
21. Cabin No. 1, F No.205, 8-2-644/1/205, Road No. 12, Hiline Complex, Banjara Hills, Hyderabad, Telangana – 500034
22. 9th, Unit no.909, Vipul Business Park, Sohna Road, Sector 48, Gurugram, Gurugram, Haryana, 122004

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### I. APPROVALS FOR THE OFFER

**Corporate Approvals**

The following approvals have been obtained in connection with the Offer:

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on August 18, 2023 authorised the Offer subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution dated on September 15, 2023 passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorised the Offer.



**ISIN Number**

The Company's International Securities Identification Number ("ISIN") is INE0Q2V01012

**Lenders' Consent**

Our Company has received the consent letters from the ICICI Bank to act as banker to the offer vide order dated September 26, 2023

Our Company has received NOC from all the following Lenders:

Yes Bank, ICICI Bank, LIC Housing Finance, HDFC Bank, HDB Financial Services, Siemens Financial Services.

**Stock Exchange**

In-Principle approval letter dated December 21, 2023 from National Stock Exchange of India Limited for the listing of equity shares issued by our Company pursuant to the Offer.

**II. APPROVALS OBTAINED BY OUR COMPANY**

S. No.	NATURE OF LICENSE/APPROVAL	REGISTRATION/ NO. LICENSE	ISSUING AUTHORITY	DATE OF GRANT	VALIDITY
<b>INCORPORATION RELATED APPROVALS</b>					
1.	Certificate of Incorporation in the name of "Kaushalya Buildcon Private Limited"	U45400DL2007P TC167397	Ministry of Corporate Affairs, Govt. of India, Central Registration Centre.	August 24, 2007	One Time Registration
2.	Fresh Certificate of Incorporation upon consequent change of name from "Kaushalya Buildcon Private Limited" to "Kaushalya Logistics Private Limited"	U45400DL2007P LC167397	Registrar of Companies, Delhi	August 16, 2016	One Time Registration
3.	Fresh Certificate of Incorporation upon consequent change of name from "Kaushalya Logistics Private Limited" to "Kaushalya Logistics Limited"	U45400DL2007P LC167397	Registrar of Companies, Delhi	May 01, 2023	One Time Registration
<b>TAX RELATED APPROVALS</b>					
1.	Permanent Account Number ("PAN")	AADCK2052L	Income Tax Department	August 24, 2007, (Date of incorporation)	One Time Registration
2.	Tax Deduction Account Number ("TAN")	DELK23994F	Income Tax Department	July 07, 2023	One Time Registration
3.	Tax Deduction Account Number ("TAN")	DELK11534F	Income Tax Department	July 07, 2023	One Time Registration
4.	Certificate of Registration under Goods and Services Tax Act, 2017, (Maharashtra)	27AADCK2052L 1ZI	Government of India and Government of Maharashtra	Issued on June 08, 2023 w.e.f. November 14, 2021	One Time Registration
5.	Certificate of Registration under Goods and Services Tax Act, 2017, (Rajasthan)	08AADCK2052L 2ZH	Government of India and Government of Rajasthan	Issued on June 02, 2023 w.e.f. November 25, 2021	One Time Registration
6.	Certificate of Registration under Goods and Services Tax Act, 2017, (Rajasthan)	08AADCK2052L 1ZI	Government of India and Government of Rajasthan	Issued on June 02, 2023 w.e.f. March 12, 2018	One Time Registration

7.	Certificate of Registration under Goods and Services Tax Act, 2017, (UP)	09AADCK2052L 2ZF	Government of India and Government of Uttar Pradesh	Issued on June 17, 2023 w.e.f. December 10, 2021	One Time Registration
8.	Certificate of Registration under Goods and Services Tax Act, 2017, (UP)	09AADCK2052L 1ZG	Government of India and Government of Uttar Pradesh	Issued on June 08, 2023 w.e.f. November 18, 2021	One Time Registration
9.	Certificate of Registration under Goods and Services Tax Act, 2017, (Bihar)	10AADCK2052L 1ZX	Government of India and Government of Bihar	Issued on June 17, 2023 w.e.f. May 22, 2018	One Time Registration
10.	Certificate of Registration under Goods and Services Tax Act, 2017, (W.B.)	19AADCK2052L 1ZF	Government of India and Government of West Bengal	Issued on May 30, 2023 w.e.f. November 12, 2021	One Time Registration
11.	Certificate of Registration under Goods and Services Tax Act, 2017, (Telangana)	36AADCK2052L 1ZJ	Government of India and Government of Telangana	Issued on June 21, 2023 w.e.f. December 14, 2021	One Time Registration
12.	Certificate of Registration under Goods and Services Tax Act, 2017, (T.N.)	33AADCK2052L 2ZO	Government of India and Government of Tamil Nadu	Issued on June 02, 2023 w.e.f. November 3, 2021	One Time Registration
13.	Certificate of Registration under Goods and Services Tax Act, 2017, (T.N.)	33AADCK2052L 1ZP	Government of India and Government of Tamil Nadu	Issued on June 16, 2023 w.e.f. July 01, 2017	One Time Registration
14.	Certificate of Registration under Goods and Services Tax Act, 2017, (Punjab)	03AADCK2052L 1ZS	Government of India and Government of Punjab	Issued on June 09, 2023 w.e.f. February 17, 2022	One Time Registration
15.	Certificate of Registration under Goods and Services Tax Act, 2017, (Odisha)	21AADCK2052L 1ZU	Government of India and Government of Odisha	Issued on May 24, 2023 w.e.f. February 22, 2022	One Time Registration
16.	Certificate of Registration under Goods and Services Tax Act, 2017, (M.P.)	23AADCK2052L 1ZQ	Government of India and Government of Madhya Pradesh	Issued on June 01, 2023 w.e.f. December 16, 2021	One Time Registration
17.	Certificate of Registration under Goods and Services Tax Act, 2017, (Karnataka)	29AADCK2052L 1ZE	Government of India and Government of Karnataka	Issued on January 06, 2023 w.e.f. July 01, 2017	One Time Registration
18.	Certificate of Registration under Goods and Services Tax Act, 2017, (Karnataka)	29AADCK2052L 2ZD	Government of India and Government of Karnataka	Issued on June 09, 2023 w.e.f. December 05, 2021	One Time Registration
19.	Certificate of Registration under Goods and Services Tax Act, 2017, (Kerala)	32AADCK2052L 1ZR	Government of India and Government of Kerala	Issued on June 17, 2023 w.e.f. July 1, 2017	One Time Registration
20.	Certificate of Registration under Goods and Services Tax Act, 2017, (Gujarat)	24AADCK2052L 1ZO	Government of India and Government of Gujarat	Issued on May 24, 2023 w.e.f. February 14, 2021	One Time Registration
21.	Certificate of Registration under Goods and Services Tax Act, 2017, (Andhra Pradesh)	37AADCK2052L 1ZH	Government of India and Government of Andhra Pradesh	Issued on May 25, 2023 w.e.f. January 19, 2022	One Time Registration
22.	Certificate of Registration under Goods and Services Tax Act, 2017, (Chhattisgarh)	22AADCK2052L 1ZS	Government of India and Government of Chhattisgarh	Issued on June 12, 2023 w.e.f. December 9, 2021	One Time Registration
23.	Certificate of Registration under Goods and Services Tax Act, 2017, (Assam)	18AADCK2052L 1ZH	Government of India and Government of Assam	Issued on May 25, 2023 w.e.f. December 22, 2021	One Time Registration

24.	Certificate of Registration under Goods and Services Tax Act, 2017, (Delhi)	07AADCK2052L 3ZI	Government of India and Government of Delhi	Issued on June 13, 2023 w.e.f. November 19,2021	One Time Registration
25.	Certificate of Registration under Goods and Services Tax Act, 2017, (Delhi)	07AADCK2052L 4ZH	Government of India and Government of Delhi	Issued on June 13, 2023 w.e.f. December 1,2021	One Time Registration
26.	Certificate of Registration under Goods and Services Tax Act, 2017, (Delhi)	07AADCK2052L 1ZK	Government of India and Government of Delhi	Issued on June 13, 2023 w.e.f. July 1,2017	One Time Registration
27.	Certificate of Registration under Goods and Services Tax Act, 2017, (Delhi)	07AADCK2052L 2ZJ	Government of India and Government of Delhi	Issued on June 17, 2023 w.e.f. December 1,2021	One Time Registration
28.	Certificate of Registration under Goods and Services Tax Act, 2017, (Bihar)	10AADCK2052L 2ZW	Government of India and Government of Bihar	Issued on May 31, 2023 w.e.f. December 9, 2021	One Time Registration
29.	Certificate of Registration under Goods and Services Tax Act, 2017, (Haryana)	06AADCK2052L 1ZM	Government of India and Government of Haryana	Issued of August 22, 2023 w.e.f. November 13, 2021	One Time Registration
30.	Certificate of Registration under Finance Act, 1994(Service Tax)	AADCK2052LS D003	Central Board of Excise and Customs	Issued on May 09, 2012 and amended on January 25, 2017	One Time Registration

#### BUSINESS RELATED APPROVALS

1.	Udyam Registration Certificate	UDYAM-DL-08-0012093	MSME (Ministry of Micro, Small & Medium Enterprises)	March 25, 2021	One Time Registration
2.	Registration Certificate under Delhi Shops and Establishments Act, 2019	2022185677	Government of NCT of Delhi, Department of Labour	May 30, 2022	One Time Registration
3.	Registration Certificate under Tamil Nadu Shops and Establishments Act, 1947	R.Dis. No. 322/2012	Government of Tamil Nadu, Labour Department	August 31, 2012	One Time Registration
4.	Registration Certificate under Kerala Shops and Establishments Act, 1960	SH080880090148	Government of Kerala, Labour Department	December 31, 2023	One Time Registration
5.	Registration Certificate under Punjab Shops and Commercial Establishments Act, 1958	MOH01/202206/9 773	Government of Punjab, Labour Department	June 16, 2022	One Time Registration
6.	Registration Certificate under UP Shops and Commercial Establishments Act, 1958	UPSA10729816	Labour Department, UP	April 24, 2023	One Time Registration
7.	Registration Certificate under Uttar Pradesh Shops and Commercial Establishments Act, 1958	UPSA63005649	Labour Department, Uttar Pradesh	November 26, 2023	One Time Registration
8.	Registration Certificate under West Bengal Shops and Establishment Rules, 1964	KL04172N202300 0082	Labour Commissionerate of West Bengal	November 27, 2023	One Time Registration
9.	Registration Certificate under Andhra Pradesh Shops and Establishments Act, 1988	AP-03-28-007-03344347	Govt. of Andhra Pradesh, Labour Department	September 28, 2023	Valid until March 31, 2026
10.	Registration Certificate under Bihar Shops and Establishments Act, 1953	P.T/TBSE_REG/2 023/10817	Labour Resources Department	October 15, 2023	Valid until cancelled

11.	Registration Certificate under Chhattisgarh Shops & Establishments Act, 1958	12100207849873	District Trade & Industries Centre, Raipur	October 5, 2023	Valid until cancelled
12.	Registration Certificate under Haryana Shops & Establishments Act, 1958	PSA/REG/GGN/L1-GGN-11/0299084	Labour Department, Haryana	October 6, 2023	Valid until cancelled
13.	Registration Certificate under Karnataka Shops and Establishment Act, 1961	21/151/S/0531/2023	Department of Labour, Govt. of Karnataka	September 19, 2023	December 31, 2027
14.	Registration Certificate under Telangana Shops and Establishments Act, 1988	SEA/HYD/ALO/01/071/6810/2023	Department of Labour, Telangana	October 4, 2023	Valid until cancelled
15.	Registration Certificate under Assam Shops and Establishments Act, 1971	SHE/2023/1E1700890673875PN	Labour Commissionerate, Govt. of Assam	November 25, 2023	Valid until cancelled
16.	Gujarat Shops and Establishments Act (Regulation of employment and condition of service), 2019	Intimation Sent under Section 7	Amdavad Municipal Corporation, Gujarat	November 21, 2023	NA
17.	Maharashtra Shops and Establishments Act (Regulation of employment and condition of service), 2017	Intimation Sent under Section 7	Labour Department, Govt. of Maharashtra	November 21, 2023	NA
18.	Karnataka Shops and Establishments Act (Regulation of employment and condition of service), 1961	GOK/YAD/S/0006/2023	Labour Department, Govt. of Karnataka	December 01, 2023	December 31, 2027
19.	Madhya Pradesh Shops and Establishments Act (Regulation of employment and condition of service), 1953	INDO231204SE01029	Labour Resources Department, Govt. of Madhya Pradesh	December 06, 2023	Valid till cancelled
20.	Bihar Shops and Establishments Act (Regulation of employment and condition of service), 1953	P.T/TBSE_REG/2023/12013	Labour Resources Department, Govt. of Bihar	December 08, 2023	Valid till cancelled
21.	*Orissa Shops and Establishments Act	NA	NA	NA	NA

\*In the state of Orissa, unless an employer has at least one employee, neither any registration required nor any intimation is to be sent to the S& E Authority.

#### PROFESSION TAX REGISTRATION

SL NO.	NATURE OF LICENSE/APPROVAL	REGISTRATIO N/ LICENSE NO.	ISSUING AUTHORITY	DATE OF GRANT	VALIDITY
1.	Professional Tax Registration - Bihar	10DELK23994F	Commercial Taxes Department, Govt. of Bihar	June 6, 2022	Valid until cancelled
2.	Professional Tax Registration - Gujarat	PEC010678098001	Amdavad Municipal Corporation	NA	Valid until cancelled
3.	Professional Tax Registration – Karnataka	1068383150	Govt. of Karnataka	April 29, 2023	Valid until cancelled
4.	Professional Tax Registration – Orissa	21652608747	Govt. of Orissa, Commercial Tax Dept.	May 31, 2022	Valid until cancelled
5.	Professional Tax Enrolment Certificate- Telangana	36115546514	Govt. of Telangana, Commercial Taxes Dept.	July 26, 2022	Valid until cancelled
6.	Professional Tax Enrolment Certificate- Andhra Pradesh	88DCK2052LPTD001	Municipal Corporation, Greater Vishakhapatnam	November 30, 2023	Valid until cancelled

7.	Professional Tax Enrolment Certificate- Assam	18369091321	Commissionerate for Taxes, Govt. of Assam	October 8, 2023	Valid until cancelled
8.	Professional Tax Registration – Karnataka	118927966	Govt. of Karnataka	June 07, 2022	Valid until cancelled
9.	Professional Tax Registration – Maharashtra	99524678918P	Sales Tax Dept. of Maharashtra	October 16, 2023	Valid until cancelled
10.	Professional Tax Registration- Madhya Pradesh	78169252200	Commissioner of Commercial Tax, MP	NA	Valid until cancelled
11.	Professional Tax Certificate- Punjab	E37AADCK2052 L	Dept. of Excise and Taxation, Punjab	June 02, 2022	Valid until cancelled
12.	Professional Tax Certification- West Bengal	192162931357	Kolkata West Range, Commercial Taxes Department	August 01, 2023	Valid until cancelled
13.	Professional Tax Receipt – Tamil Nadu	009/z2/06/23-24/0009639	Tambaram City Municipal Corporation	May 11, 2023	NA
14.	Professional Tax Receipt - Kerala	OLR3/3016/23	Thrissur Municipal Corporation	November 4, 2023	NA

#### LABOUR RELATED APPROVALS

1.	Employees' State Insurance Corporation Registration Certificate, Kerala	54000218920000 999	Deputy Director Employee State Insurance Corporation	October 15, 2016	One Time Registration
2.	Employees' State Insurance Corporation Registration Certificate, Tamil Nadu	51001033810000 999	Deputy Director Employee State Insurance Corporation, Regional Office Chennai	September 13, 2012	One Time Registration
3.	Employees' State Insurance Corporation Registration Certificate, Bihar	42001587070001 001	Deputy Director Employee State Insurance Corporation, Regional Office Bihar	August 24, 2018	One Time Registration
4.	Employees' Provident Fund Registration Certificate	TBTAM1022036 000	Assistant, Commissioner, Employees' Provident Fund Organization	October 11, 2019	One Time Registration
5.	Employees' State Insurance Corporation Registration Certificate, Uttar Pradesh	28511033810010 999	Deputy Director Employee State Insurance Corporation, Regional Office UP	December 09, 2021	One Time Registration

### III. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:

#### A. TRADEMARKS IN THE NAME OF THE ISSUER COMPANY

Trademark registered as WORD	Trade Mark No. and Class	Issued By	Issued On	Validity
KLPL WORLD Retail	5299598 Class 35	Trade Mark Registry, Mumbai	January 25, 2022	Valid for Ten Years January 25, 2032
KLPLATALS Ecommerce	5299599 Class 35	Trade Mark Registry, Delhi	January 25, 2022	Valid for Ten Years January 25, 2032

**IV. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:**

SL No.	Domain Name	IANA ID	Creation Date	Expiry Date
1.	KAUSHALYA.CO.IN	801217	March 20, 2012	March 20, 2024

**MATERIAL LICENSES / APPROVALS APPLIED FOR AND PENDING TO BE OBTAINED:**

Our company has submitted an application to the concerned authorities for registration under Shops and Establishments Act for the State of Rajasthan. Details of which are as under:

S. No.	NATURE OF LICENSE/APPLICATION	APPLICATION NO.	ISSUING AUTHORITY	DATE OF APPLICATION
1.	Registration Certificate under Rajasthan Shops and Establishment Act, 1958	SCA/2023/27/133013	Government of Rajasthan, Department of Labour	November 24, 2023

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer:

#### Corporate Approvals:

The Board of Directors, pursuant to a resolution passed at their meeting held on August 18, 2023 authorized the Offer, 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 Extra-Ordinary General Meeting held on September 15, 2023 authorized the Offer.

#### In-principle Approval:

Our Company has obtained in-principle approval from the NSE for using its name in the *Red Herring Prospectus/ Red Herring Prospectus/ Prospectus* pursuant to an approval letter dated December 21, 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 186 of this RHP.

#### 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 willful 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 186 of this RHP.

#### 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 willful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### Compliances with the Companies (Significant Beneficial Ownership) Rules, 2018

Under the SBO Rules certain persons who are ‘significant beneficial owners’, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of RHP, there are no such significant beneficial owners in our Company.

#### Eligibility for the Offer:

Our Company is eligible to make this initial public offer as:

- (a) Neither the issuer, nor any of our promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board;
- (b) None of our promoters or directors is a promoter or director of any other company which is debarred from accessing the capital market by the Board;
- (c) Neither the issuer or nor any of our promoters or directors is a wilful defaulter or a fraudulent borrower.
- (d) None of our promoters or directors is a fugitive economic offender.



Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post offer paid up capital is more than 10 crore rupees but less than 25 crore rupees and we may hence offer 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").

Further, it is confirmed that in accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, an application is being made to NSE and NSE is the designated stock exchange.

In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, we have entered into an agreement with depositories for dematerialisation of our specified securities already issued and proposed to be issued.

In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all our present equity shares are fully paid-up.

In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by our promoters are already in dematerialised form.

**We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this offer will be 100% underwritten and that the BRLM to the Offer shall underwrite minimum 100% of the Total Offer Size. For further details pertaining to said underwriting please refer to section titled "**General Information – Underwriting**" beginning on page 47 of this RHP.
- b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer 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.
- c) 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 Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing it with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
- d) 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 the EMERGE Platform of the NSE. For further details of the arrangement of market making please refer to section titled "**General Information – Details of the Market Making Arrangements for this Offer**" on page 47 of this RHP.

We further confirm that we shall be complying with all the other requirements as laid down for such an offer 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 June 07, 2023 and National Securities Depository Limited dated June 05, 2023 for establishing connectivity.
2. Our Company has a website i.e. [www.kaushalya.co.in](http://www.kaushalya.co.in)
3. There has been no change in the Promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the Emerge Platform of the NSE: -

Our Company was originally formed and registered on August 24, 2007 as a private limited Company in the name and style of "M/s Kaushalya Buildcon Private Limited" (CIN: U45400DL2007PLC167397). Further, the name of our Company was changed from M/s Kaushalya Buildcon Private Limited to M/s Kaushalya Logistics Private Limited with effect from August 16, 2016 and a new Certificate of Incorporation in the new name was received from the ROC. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on March 15, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "M/s Kaushalya Logistics Private Limited" to "M/s Kaushalya Logistics Limited" vide a fresh Certificate of Incorporation dated May 01, 2023 issued by the Registrar of Companies, Delhi, bearing CIN U45400DL2007PLC167397.



1. As on the date of this RHP, the Company has a Paid-up Capital of ₹. 1515.00 Lakh and the Post Offer Capital will be of ₹. 1853.00 Lakh which is less than ₹. 25 Crores.
2. The Company confirms that it has track record of more than 3 years.
3. 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 March 31, 2023, 2022 and 2021 is positive.

(In ₹. Lakh) (Standalone basis)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Cash Accruals	730.67	408.28	331.97
Net Worth	1927.60	1221.73	845.42
Net Tangible Assets	185.19	111.65	83.34

*Cash Accruals = PAT (before adjusting profits from Associates) + Depreciation and amortization cost*

*Net-worth = Paid-up share capital + reserves & surplus – revaluation reserves if any*

*Net Tangible assets = Total Assets – intangible assets*

4. 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, Promoter Group Companies, companies promoted by the Promoters of the Company;
5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or NCLT;
6. 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.
7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
8. 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.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, KHANDWALA SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, KHANDWALA SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 30, 2022.**

The filing of this RHP does not, however, absolve our Company 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 and / or other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Red Herring Prospectus and Prospectus with the Registrar of Companies, Delhi in terms of sections 26, 32 and 33 of the Companies Act, 2013.

#### **Statement on Price Information of Past Issues handled by Khandwala Securities Limited:**

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Disclosure of price information of latest issues handled by Khandwala Securities Limited at page no 284 of this Red Herring Prospectus and the website of the Book Running Lead Manager at <https://www.kslindia.com>

**Disclaimer from our Company, Selling Shareholders and the Book Running Lead Manager:**

Our Company, its Directors, Promoters as the Selling Shareholders and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this RHP 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 BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Khandwala Securities Limited) and our Company on September 27, 2023 and the Underwriting Agreement dated December 22, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated December 22, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager 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 Book Running Lead Manager 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 Offer 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 Offer.

**Disclaimer in Respect of Jurisdiction:**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are 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 registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹. 2,500.00 Lakh and pension funds with a minimum corpus of ₹.2,500.00 Lakh, and permitted 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 RHP 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 RHP comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in New Delhi 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 RHP may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this RHP 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 Emerge Platform of the 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 December 21, 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 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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and 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:**

This RHP is being filed with NSE Limited, with its office at Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra-400051, India.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the Prospectus shall be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

In accordance with Section 26 and 32 of the Companies Act, 2013, a copy of the Red Herring Prospectus and Prospectus, along with the documents required to be filed, would be delivered for registration to the Registrar of Companies, Delhi at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi, India

**Listing:**

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated December 21, 2023 for listing of equity shares on Emerge Platform of the NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. 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 RHP. 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 Emerge Platform of the NSE mentioned above are taken within Six (6) Working Days of the Offer Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Offer Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

**Impersonation:**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies

Act, 2013 which is reproduced below:

Any person who-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. 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 to action under section 447 of the Companies, Act 2013

**Consents:**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Offer, Banker to the Offer (Sponsor Bank), Legal Advisor to the Offer, Underwriter to the Offer and Market Maker to the Offer to act in their respective capacities have been obtained and shall be filed along with a copy of the Red Herring 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. K.N.Gutgutia &Co., Chartered Accountants, Statutory 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 RHP 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 RHP.

**Experts Opinion:**

Except for the reports in the section *“Financial Information of the Company”* and *“Statement of Special Tax Benefits”* on page 142 and page 79 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) Offer Agreement dated September 27, 2023 with the Book Running Lead Manager Khandwala Securities Limited, (ii) the Underwriting Agreement dated December 22, 2023 with Underwriter and (iii) the Market Making Agreement dated December 22, 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 Red Herring Prospectus until the Offer Closing Date.

**Fees Payable to the Registrar to the Offer:**

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 Offer dated September 27, 2023 a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Offer 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.

**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 RHP.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled *“Capital Structure”* beginning on page 57 of this RHP.

**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.

**Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-à-vis objects- Public/right issue of our Company:**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 57 our Company has not undertaken any previous public or rights issue.

**Performance vis-à-vis objects- Last Issue of Subsidiary Companies:**

As on the date of this RHP, our Company does not have a Subsidiary Company.

**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 Board 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 RHP.

**Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer 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 Offer and our Company provides for retention of records with the Registrar to the Offer 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 Offer for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this RHP. Since there is no investor complaints received, none are pending as on the date of filing of this RHP.

Investors may contact the BRLM for any complaint pertaining to the Offer. All grievances, may be addressed to the Registrar to the Offer, 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 Offer 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 Prateek Sharma Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

**Prateek Sharma**

Company Secretary & Compliance Officer

**Kaushalya Logistics Limited**

Address: 19 Community Centre, First and Second Floor,  
East of Kailash, New Delhi-110065

Tel. No.: +91-011-41326013

E-mail: [info@kaushalya.co.in](mailto:info@kaushalya.co.in)

Website: <https://www.kaushalya.co.in>

Investors can contact the Compliance Officer or the Registrar in case of any pre-Offer or post-Offer 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 July 26, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “*Our Management*” beginning on page 115 of this RHP.

**Status of Investor Complaints:**

We confirm that we have not received any investor complaint during the three years preceding the date of this RHP and hence there are no pending investor complaints as on the date of this RHP.

**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 Offer 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 79 of this RHP.

**Purchase of Property:**

Other than as disclosed in Section “*Our Business*” beginning on page 89 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 Offer or the purchase or acquisition of which has not been completed on the date of this RHP.

Except as stated elsewhere in this RHP, 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 57 of this RHP, 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 RHP.

**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 115 and chapter titled “*Financial Information*” beginning on page 142 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 security laws, if any:**

Not Applicable

**PRICE INFORMATION OF LAST 10 (TEN) ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

**Statement of past issues handled by Khandwala Securities Limited**

**SME:**

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Vishnusurya Projects and Infra Limited	49.98	68.00	October 10, 2023	73.00	198.09	-1.34	N.A	N.A	N.A	N.A

\* Company has been listed on October 10, 2023, hence not applicable

**Summary Statement of Disclosure**

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %
2022-2023	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
2023-2024	1	49.98	N.A	N.A	1	1	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

\*Company has been listed on October 10, 2023, hence not applicable

**Notes:**

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: [www.nseindia.com](http://www.nseindia.com)

**Track record of past issues handled by the Book Running Lead Manager**

For details regarding the track record of the Book Running Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Lead Manager at [www.kslindia.com](http://www.kslindia.com)

## **SECTION VII - OFFER RELATED INFORMATION**

### **TERMS OF THE OFFER**

*The Equity Shares being offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the MoA, the AoA, SEBI Listing Regulations, the terms of this Red Herring Prospectus, Red Herring Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice 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 Offer. The Equity Shares shall also be subject to laws as applicable, 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 Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchange, the RoC and/ or any other authorities while granting their approval for the Offer.*

#### **Ranking of Equity Shares**

The Equity Shares being Allotted pursuant to the Offer shall rank pari passu in all respects with the existing Equity Shares including in respect of voting and the right to receive dividend. The Allottees upon Allotment of Equity Shares in the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of the Allotment. For further details, see “Main Provisions of Articles of Association” beginning on page 238 of this *Red Herring Prospectus*.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013, the Memorandum of Association and the Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “Dividend Policy” and “Main Provisions of Articles of Association” beginning on pages 141 and 238 respectively of this *Red Herring Prospectus*.

#### **Face Value, Offer Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Offer Price at the lower end of the Price Band is ₹ 71/- per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ 75/- per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹ 75/- per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot, will be decided by our Company and the Promoters Selling Shareholders, in consultation with the Book Running Lead Manager, and advertised in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (as our Registered Office is located in Delhi), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

#### **The Offer**

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoters Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and Promoters Selling Shareholders in the manner specified in “Objects of the Offer – Offer Related Expenses” on page 72 of this *Red Herring Prospectus*.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the



Companies Act, 2013;

- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013, the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, etc., see “*Main Provisions of Articles of Association*” beginning on page 238 of this *Red Herring Prospectus*.

#### **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form and trading of the Equity Shares shall also only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated June 05, 2023 amongst our Company, NSDL and the Registrar to the Offer.
- Tripartite agreement dated June 07, 2023 amongst our Company, CDSL and the Registrar to the Offer.

#### **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of 1,600 Equity Share subject to a minimum Allotment of 1,600 Equity Shares for Retail Individual Bidders and Minimum NIB Application Size for Non-Institutional Bidders.

#### **Joint holders**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only in the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, 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 Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their

respective Depository Participant.

### Withdrawal of the Offer

Our Company and the Promoters Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Fresh Issue and the Promoters Selling Shareholders reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of his portion of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre- Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Manager, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank (in case of RIBs using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Investors, 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 the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC. 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 our Company or the Promoters Selling Shareholders, in consultation with the Book Running Lead Manager withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with public offering of the Equity Shares, our Company shall file a fresh *Red Herring Prospectus* with SEBI and the Stock Exchange.

### Bid/ Offer Programme

<b>BID/ OFFER OPENS ON</b>	<b>Friday, December 29, 2023</b>
<b>BID/ OFFER CLOSES ON</b>	<b>Wednesday, January 03, 2024</b>

\* Selling Shareholders

\*\*Our Company may, in consultation with the Promoters Selling Shareholders and the Book Running Lead Manager, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations

An indicative timetable in respect of the Offer is set out below:

<b>Event</b>	<b>Indicative Date</b>
Bid/Offer Opening Date	Friday, December 29, 2023
Bid/Offer Closing Date	Wednesday, January 3, 2024
Finalisation of Basis of Allotment with the Designated Stock Exchange	Thursday January 4, 2024
Initiation of refunds unblocking of funds from ASBA Account*	Friday, January 4, 2024
Credit of Equity Shares to demat accounts of Allottees	Friday, January 4, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	Monday, January 8, 2024

*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 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.*

*\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with 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, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (which for the avoidance of doubt, shall be deemed to*

be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

**The above timetable is indicative and does not constitute any obligation or liability on our Company, the Promoters Selling Shareholders 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 six Working Days from the Bid/ Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Promoters Selling Shareholders, as may be required in respect of his portion of the Offered Shares, the timetable may change due to various factors, any delay 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. The Promoters Selling Shareholders confirms that he shall extend such reasonable support and co-operation in relation to his portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Manager will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post offer timeline for IPOs. Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day or 15% of the application amount, whichever is higher, for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date in terms of the UPI Circulars by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For details, please see “Offer Procedure” beginning on page 217 of this RHP.

#### **Submission of Bids:**

<b>Bid/ Offer Period (except the Bid/ Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10:00 a.m. and 5:00 p.m. Indian Standard Time (“IST”)
<b>Bid/ Offer Closing Date*</b>	
Submission and Revision in Bids	Only between 10:00 a.m. and 3:00 p.m. IST

\* UPI mandate end time and date shall be at 5.00pm on Bid/Offer Closing Date

#### **On the Bid/ Offer 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
- (i) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by retail Individual Investors.

On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchange only for uploading Bids received by 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.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Offer on a daily basis.

**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 limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date. Any time mentioned in this *Red Herring Prospectus* is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision in Bids will be accepted only during Working Days. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange platform during the Bid/ Offer Period till 5.00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

To avoid duplication, the facility of re-initiation provided to Syndicate Members 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. Investors may please note that as per letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by NSE, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchange. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchange.

None among our Company and the Promoters Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company in consultation with the Promoters Selling Shareholders and the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Offer 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 all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price and shall at all times be at least 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Promoters Selling Shareholders in consultation with the BRLM may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

### **Minimum Subscription**

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/ Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/ Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/ Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchange for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company and the Promoters Selling Shareholders, to the extent applicable shall pay interest at the rate of 15% per annum. Promoters Selling Shareholders shall be liable to refund money raised in the Offer, only to the extent of his position of Offered Shares, together with any interest on such amount as per applicable laws. No liability to make any payment of interest shall accrue to the Promoters Selling Shareholders unless any delay in making any of the payments hereunder or any delay in obtaining listing or trading approvals in relation to the Offer is solely attributable to such Promoters Selling Shareholders. All refunds made, interest borne, and expenses incurred (with regard to payment of refunds) by the Company on behalf of the Promoters Selling Shareholders will be adjusted or reimbursed by such Promoters Selling Shareholders to our Company as agreed among our Company and the Promoters Selling Shareholders in writing, in accordance with applicable laws.

The requirement for minimum subscription is not applicable for the Offer for Sale. In the event of achieving aforesaid

minimum subscription, however, there is under-subscription in achieving the total Offer size, the Equity Shares will be Allotted in the following order:

- (i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;
- (ii) upon (i), all the Equity Shares held by the Promoters Selling Shareholders and offered for sale in the Offer for Sale will be Allotted; and
- (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion;

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoters Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

#### **Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

#### **Restrictions, if any on transfer and transmission of Equity Shares**

Except for the lock- in of the pre- Offer Equity Share Capital of our Company, lock- in of the Promoter's contribution as provided in "*Capital Structure*" beginning on page 57 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of the Equity Shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of Articles of Association*" beginning on page 238 of this Red Herring Prospectus.

#### **New Financial Instruments**

The Offer is an issue of Equity Shares, and no new financial instruments are issued by our Company through this Offer.

#### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be Allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

## OFFER STRUCTURE

Initial Public Offer of upto 48,80,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh comprising of a Fresh Issue of upto 33,80,000 Equity Shares aggregating up to ₹ [●] Lakh by our Company and an Offer for Sale of upto 15,00,000 Equity Shares aggregating up to ₹ [●] Lakh by the Promoters Selling Shareholders. The Offer shall constitute 26.34% of the post-Offer paid-up Equity Share capital of our Company. The face value of the Equity Shares is ₹ 10/- each. The Offer is being made through the Book Building Process.

Particulars of the Offer	Qualified Institutional Buyers <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation / allotment <sup>*(2)</sup>	Not more than 23,16,800 Equity Shares	Not less than 6,96,000 Equity Shares	Not less than 16,22,400 Equity Shares
Percentage of Offer Size available for allocation/ allotment	Not more than 50% of the Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion shall 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. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Non-Institutional Bidders with a Bid size more than ₹200,000 to ₹1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹1,000,000	Not less than 35% of the Net Offer shall be available for allocation
Basis of Allotment / Allocation if respective category is oversubscribed*	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 for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on the discretionary basis to Anchor Investors of which one-third shall be available	Allotment to each of the Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "Offer Procedure" on page 217.

	for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.		
Mode of Bid <sup>^</sup>	Only through the ASBA process (Except for Anchor Investors) (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Bid Amount exceeds ₹ 200,000	1,600 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Offer, subject to limits as applicable to each Bidder	Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to limits applicable to Bidder	Such number of Equity Shares in multiples of 1,600 Equity Shares such that the bid amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialized form.		
Bid Lot	1,600 Equity Shares and in multiples thereof		
Trading Lot	1,600 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations		
Terms of Payment	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>(3)</sup>		
Who can apply	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals,	Resident Indian Individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices and trusts for Equity Shares such that the	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not

*\*Assuming full subscription in the Offer*

*<sup>^</sup> SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, the Stock Exchange shall, for all categories of investors viz. QIBs, Non-Institutional Bidder and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked*

- (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) 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.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoters Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company and the Promoters Selling Shareholders, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis. For further details, please see the chapter titled “*Terms of the Offer*” beginning on page 208 of this *Red Herring Prospectus*.



## OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “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, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by Retail Individual Bidders through the UPI Mechanism.

*Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running lead manager shall continue to coordinate with intermediaries involved in the said process.*

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by the SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022. The provisions of these circulars are deemed to form part of this Red Herring Prospectus.*

*Further, SEBI has issued a consultation paper dated May 20, 2023 seeking comments from the public on the proposals pertaining to reduction of time period from the date of issue closure to the date of listing of shares through public issues from the existing six days to three days. Please note that if the proposals are implemented, we may need to make appropriate changes in the Offer Document.*

*Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed*

*by the Registrar along with the SCSBs only after application monies are blocked in the bank accounts of investors (all categories). The Registrar and SCSBs will comply with any additional circulars or other Applicable Law, and the instructions of the BRLM, as may be issued in connection with this circular. Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the Book Running lead manager shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days.*

*Further, our Company, the Selling Shareholders and the BRLM are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

*The BRLM shall be the nodal entity for any issues arising out of public issuance process.*

*Our Company, the Selling Shareholders and the BRLM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

### **Book Building Procedure**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 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). Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer 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 Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non- Institutional Portion, shall be subject to the following: (i) one third of the portion available to Non- Institutional Bidders shall be reserved for Bidders with an application size of more than ₹2 Lakh and up to ₹10 Lakh, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹10 Lakh, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other subcategory of Non-Institutional Bidders.

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 on proportionate basis, at the discretion of our Company and the Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021.**

**Bidders 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 the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

**Phased implementation of UPI for Bids by RIBs as per the UPI Circulars**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under 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 payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

- (a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RIB also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- (b) **Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by an RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is 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. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- (c) **Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the BRLM.

***Electronic registration of Bids***

- a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building process on a regular basis before the closure of the Offer.
- b) On the Bid / Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may

be permitted by the Stock Exchange and as disclosed in the *Red Herring Prospectus*.

- c) Only Bids that are uploaded on the Stock Exchange' platform are considered for allocation / Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid / Offer Closing Date to modify select fields uploaded in the Stock Exchange' platform during the Bid / Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

#### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid / Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

Bidders (other than UPI Bidders Bidding using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Retail Individual Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders using the ASBA process to participate in the Offer must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked / unblocked. Since the Offer is made under Phase II, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIBs (other than the RIBs 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. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchange shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

Non-Institutional Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism.

***Anchor Investors are not permitted to participate in the Offer through the ASBA process.***

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
<b>Anchor Investor**</b>	White
Resident Indians including resident QIBs, Non- Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue

*\*Excluding electronic Bid cum Application Forms Notes:*

(1) *Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)).*

(2) *\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchange. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non SCSB bank or any Escrow Collection Bank(s). For UPI Bidders using the UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchange and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchange platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

Participation by Promoters, Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLM and the Syndicate

Members. The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non- Institutional Category as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, 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 undersubscription 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 BRLM.
- 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 BRLM, 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 BRLM 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 BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds

sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM 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 Mutual Funds**

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, the Company in consultation with BRLM reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts ("**NRE Account**"), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non- repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid- up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non Residents (Blue in colour). Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 237.

#### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form / Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

### **Bids by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category I FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.



Participation of FPIs in the Offer shall be subject to the FEMA Rules.

**There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

#### **Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended (“SEBI FVCI Regulations”) prescribe the investment restrictions on FVCIs.

The Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A Category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a Category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company, the Selling Shareholders or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **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 and the Selling Shareholders, in consultation with BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “Banking Regulation Act”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and nonfinancial services cannot exceed 20% of the bank’s paid-up share capital and reserves. 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: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the bank’s interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company’s paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

**Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

**Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company and the Selling Shareholders in consultation with BRLM, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDA Investment Regulations"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

**Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by NBFC-SI, 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 and the Selling Shareholders in consultation with BRLM, reserve the right to reject any Bid, without assigning any reason thereof.

NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

**Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2500 Lakh (subject to applicable laws) and pension funds with a minimum corpus of ₹2500 Lakh, 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Selling Shareholders in consultation with the BRLM, may deem fit.

**Bids by provident funds / pension funds**

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹2500 Lakh, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with BRLM reserve the right to reject any Bid, without assigning any reason therefor.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.**

**In accordance with RBI regulations, OCBs cannot participate in the Offer.**

**Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchange to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

#### **Terms of Payment**

The entire offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment 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: — "KAUSHALYA LOGISTICS LIMITED ANCHOR R ACCOUNT"
- b. In case of Non-Resident Anchor Investors: — "KAUSHALYA LOGISTICS LIMITED ANCHOR NR ACCOUNT"
- 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.

#### **Price Discovery and Allocation**

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off

Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company will, after filing the Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in Financial Express editions of the English national newspaper and Jansatta editions of the Hindi national newspaper (Hindi being the regional language of Delhi where our Registered Office is located). Our Company shall, in the pre- Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the QIB Bid / Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

#### **General Instructions**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid(s) until the Bid / Offer 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. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID;
4. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
5. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;
8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;
9. In case of joint Bids, ensure that 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;
10. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
11. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise

- the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
12. All Bidders should submit their Bids through the ASBA process only;
  13. 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 Collecting 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;
  14. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
  15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
  16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  17. 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, (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, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which 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;
  18. Ensure that the Demographic Details are updated, true and correct in all respects;
  19. 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;
  20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchange;
  21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
  22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
  23. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
  24. Note that in case the DP ID, UPI ID (where applicable), 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, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
  25. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
  26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
  27. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
  28. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in

- the Bid cum Application Form at the time of submission of the Bid;
29. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the Retail Individual Bidder shall be deemed to have verified the attachment containing the application details of the Retail Individual Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;
  30. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
  31. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;
  32. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
  33. Ensure that ASBA bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;
  34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 12:00 p.m. of the Working Day immediately after the Bid / Offer Closing Date.
  35. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by RIBs)
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
7. Bids by HUFs not mentioned correctly as provided in “- Bids by HUFs”
8. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer / Offer 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;
13. Do not submit your Bid after 3.00 pm on the Bid / Offer Closing Date;
14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date;
15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
16. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
17. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 5,00,000;

18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids until the Bid / Offer Closing Date;
22. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism;
24. 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;
25. 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);
26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;
27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
28. Do not Bid for Equity Shares more than specified by the Stock Exchange for each category;
29. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;
30. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and
31. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Manager pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Book Running Lead Manager*” on page 47

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Grounds for Technical Rejection**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹200,000 (net of retail discount);
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid / Offer Closing Date and by Non-Institutional Bidders

uploaded after 4.00 p.m. on the Bid / Offer Closing Date (other than UPI Bidders), and Bids by UPI Bidders uploaded after 5.00 p.m. on the Bid / Offer Closing Date, unless extended by the Stock Exchange.

In case of any pre-Offer or post Offer related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see “*General Information*” on page 47.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, in case of delays in resolving investor grievances in relation to blocking / unblocking of funds.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the net offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Bidders and Non-Institutional Bidders shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Individual Bidder category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

The allotment to each Non-Institutional Bidder shall not be less than the minimum 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 basis in accordance with the conditions specified in this regard mentioned in SEBI ICDR Regulations.

### **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 1,600 Equity Shares and in multiples of 1,600 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 1,600 Equity Shares and in multiples of 1,600 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 5% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% 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 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter for 95% 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 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5% 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 BRLM, 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 BRLM, 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 Emerge Platform of NSE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) 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).
- b) 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).
- c) For Bids where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted 1,600 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.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 1,600 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.
- e) 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 1,600 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.

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.

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.

### **Allotment Advertisement**

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located),

### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated June 05, 2023 amongst our Company, NSDL and the Registrar to the Offer.
- Tripartite agreement dated June 07, 2023 amongst our Company, CDSL and the Registrar to the Offer.

### **Undertakings by our Company**

Our Company undertakes the following:

- (i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the 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, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed within six Working Days of the Bid / Offer Closing Date or such other time as may be prescribed;
- (iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (vii) that if our Company and the Selling Shareholders in consultation with the BRLM, withdraw the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Selling Shareholders subsequently decide to proceed with the Offer thereafter;
- (viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders; and
- (ix) that except for any allotment of Equity Shares pursuant to the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded / unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc.

### **Undertakings by the Promoters and Selling Shareholders**

The Promoters and Selling Shareholders, severally and not jointly, undertake the following in respect of themselves as the Selling Shareholders, and the Offered Shares:

- i. that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;
- ii. that they are the legal and beneficial owner of, and have clear and marketable title to the Offered Shares;
- iii. that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- iv. that the Equity Shares being sold by them pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;
- v. that they shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders

- to the extent of the Offered Shares;
- vi. that it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;
  - vii. that they shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchange; and
  - viii. that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLM in redressal of such investor grievances that pertain to the Offered Shares.

#### **Utilisation of Offer Proceeds**

Our Board certifies that:

- all monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

#### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: “*Any person who – (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*” The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹10 Lakh or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10 Lakh or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50 Lakh or with both.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy of the Government of India and FEMA and the circulars and notifications issued thereunder. While the FDI Policy 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. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“DPIIT”), formerly known as Department of Industrial Policy and Promotion issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted in the “E-Commerce”, “Logistics” and “Commercial Real Estate”(subject to compliance with the listed conditions) sectors. For details, see “*Key Industry Regulations and Policies*” on page 102.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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 Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government, OCBs cannot not participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are may be offered and sold outside the United States in offshore transactions in reliance on with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For further details, see “*Offer Procedure*” beginning on page 217 of this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for does not exceed the applicable limits under laws or regulations.

## SECTION XIII -MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

### THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF KAUSHALYA LOGISTICS LIMITED (Incorporated under the Companies Act, 1956)

#### 1. INTERPRETATION

- (i) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company. The headings in the margins hereto shall not affect the construction hereof and in these presents unless there be something in the subject or context inconsistent therewith

Term	Meaning
Act	means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
Annual General Meeting	means the annual general meeting of the Company convened and held in accordance with the Act.
Articles	shall mean the Articles of Association of the Company as amended, modified or supplemented from time to time.
Board of Directors	means the board of directors of the Company in office at applicable times.
Company	means <b>KAUSHALYA LOGISTICS LIMITED</b>
“Consummation of the IPO”	means the date of receipt of final listing and trading approvals from the Exchanges for commencement of trading of the Equity Shares of the Company pursuant to the IPO.
Capital	means the share capital for the time being of the Company.
Dividend	includes interim dividend.
Directors	shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.
Depository	means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
Equity Shares or Shares	shall mean the issued, subscribed and fully paid-up equity shares of the Company of Re. 10/- (Rupee Ten only) each;
Exchange	shall mean the National Stock Exchange of India Limited.
Extraordinary General Meeting	means an extraordinary general meeting of the Company convened and held in accordance with the Act;
IPO	means the initial public offering of the Equity Shares of the Company;
Members	means members of the Company holding a share or shares of any class.
Memorandum” or “Memorandum of Association	means the memorandum of association of the Company, as may be altered from time to time
Office	means the registered office, for the time being, of the Company;
Register of Members	means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository; and
Special Resolution	means special resolution as defined in Section 117 of the Act.

Words importing the singular number shall include where the context admits or requires the plural number and vice versa and words importing the masculine gender shall include feminine;

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations

become binding on the company.

### **Share Capital and Variation of Rights**

5. The authorised share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. Subject to the provisions 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 person. In such proportion and such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 79 of the Act) at a discount and at such time as they may from time-to-time think fit and with 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. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.
6. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
- (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.
- Every certificate of shares 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 and
- (iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
7. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
8. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
9. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
10. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of

the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(iii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
12. The Company may issue shares or other securities in dematerialized form in accordance with the provisions contained in the Depositories Act, 1996 or any amendment or reenactment thereof.
13. The Company shall rematerialize the shares held in dematerialized form by issuing certificate(s) of shares upon specific request by any holder of such shares or securities.
14. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

15. (i) The company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any 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.  
The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.  
(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
16. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
Provided that no sale shall be made-
  - (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
17. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.  
(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.  
(iv) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
18. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.  
(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **Calls on shares**

19. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.  
(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.



- (iii) A call may be revoked or postponed at the discretion of the Board.
- 20. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- 21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 22. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.  
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 23. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.  
(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 24. The Board-  
(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and  
(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of shares**

- 25. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.  
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.  
(iii) The Company shall also use a common form of transfer.
- 26. The Board may, subject to the right of appeal conferred by section 58 decline to register-  
(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or  
(b) any transfer of shares on which the company has a lien.
- 27. The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.  
The Board may decline to recognise any instrument of transfer unless-  
(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;  
(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and  
(c) the instrument of transfer is in respect of only one class of shares.
- 28. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  
Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.  
Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.  
The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

### **Transmission of shares**

29. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.  
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
30. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-  
(a) to be registered himself as holder of the share; or  
(b) to make such transfer of the share as the deceased or insolvent member could have made.  
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
31. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.  
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.  
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
32. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:  
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### **Forfeiture of shares**

33. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
34. The notice aforesaid shall-  
(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and  
(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
36. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
37. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
38. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.  
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.  
(iii) The transferee shall thereupon be registered as the holder of the share.

- (v) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

39. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

40. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

41. Subject to the provisions of section 61, the company may, by ordinary resolution,-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

42. Where shares are converted into stock,

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

43. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any securities premium account; and/or
- (d) any other reserve in the nature of share capital.

#### **Capitalisation of profits**

44. (i) The company in general meeting may, upon the recommendation of the Board, resolve-

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause

- (iii), either in or towards-

- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) 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;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

45. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

- (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power-
  - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

46. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

47. All general meetings other than annual general meeting shall be called extraordinary general meeting.
48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.  
 (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  
 (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
49. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
50. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
51. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

52. (i) 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.  
 (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.  
 (iii) 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.  
 (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

53. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
  - (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
54. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
55. (i) 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.  
 (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

56. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
57. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
58. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
59. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **Proxy**

60. 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.
61. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
62. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:  
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **Board of Directors**

63. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The following shall be the first directors of the Company:
- (i) **Rajeev Jain**
- (ii) **Rajeev Kumar Jha**
64. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
65. The Board may pay all expenses incurred in getting up and registering the company.
66. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
67. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
68. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

69. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

70. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.  
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
71. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.  
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
72. 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.
73. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
74. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.  
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
75. (i) A committee may elect a Chairperson of its meetings.  
(ii) 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.
76. (i) A committee may meet and adjourn as it thinks fit.  
(ii) 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.
77. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
78. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

79. Subject to the provisions of the Act,-  
(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;  
(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
80. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **Dividends and Reserve**

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

82. 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.
83. (i) 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.  
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
84. (i) 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.  
(ii) 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.  
(iii) 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.
85. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
86. (i) 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.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
87. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
88. 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.
89. No dividend shall bear interest against the company.  
Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Harsha Engineers International Limited".  
Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act. There shall be no forfeiture of unclaimed dividends by the Board before the claim becomes barred by law.

#### **Accounts**

90. (i) 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.  
(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

91. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- (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.
- (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.

(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.

#### **General Powers**

93. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.



## SECTION XIV –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 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 A.M. and 5 P.M. on all Working Days from the date of this Red Herring Prospectus until the Offer Closing Date.

### **Material Contracts**

1. Agreement dated September 27, 2023 entered into between our Company and the BRLM
2. Agreement dated September 27, 2023 executed between our Company and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated December 22, 2023 among our Company, Book Running Lead Manager, the Banker to the Issue/Public Issue Bank/Sponsor Banker and the Registrar to the Offer.
4. Market Making Agreement dated December 22, 2023 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated December 22, 2023 between our Company and the Underwriter.
6. Tripartite Agreement dated June 07, 2023 among CDSL, the Company and the Registrar to the Offer.
7. Tripartite Agreement dated June 05, 2023 among NDSL, the Company and the Registrar to the Offer.

### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated August 24, 2007 issued by the Registrar of Companies, New Delhi.
3. Fresh Certificate of Incorporation dated May 01, 2023 issued by the Registrar of Companies, New Delhi consequent upon Conversion of the Company to Public Company.
4. Copy of the Board Resolution dated August 18, 2023 authorizing the Offer and other related matters.
5. Copy of Shareholder's Resolution dated September 15, 2023 authorizing the Offer and other related matters.
6. Copies of Audited Financial Statements of our Company for the period ended June 30, 2023 and for the Financial Year ended on March 31 2023, March 31, 2022 and March 31, 2021.
7. Examination Report dated December 18, 2023 on the Restated Financial Statements for the period ended June 30, 2023 and for the Financial Year ended March 31 2023, March 31, 2022 and March 31, 2021.
8. Copies of the annual reports of the Company for the Fiscal Years 2023, 2022 and 2021;
9. Copy of the Statement of Tax Benefits dated December 20, 2023 from the Peer Review Auditor.
10. Consent dated December 22, 2023 by Promoters and Promoter Group, Uddhav Poddar, Uddhav Poddar (HUF) and Bhumiika Realty Private Limited
11. Consents of the Book Running Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Market Maker, Underwriter, Banker to the Offer/ Sponsor Bank, Statutory Auditor and Peer Review Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Certificate on KPI's issued by our Statutory Auditor namely K.N. Gutgutia & Co. Chartered Accountants dated December 22, 2023.
13. Board Resolution dated September 30, 2023 for approval of Draft Red Herring Prospectus, Board Resolution dated December 23, 2023 for approval of Red Herring Prospectus dated December 23, 2023 and Board Resolution dated [●] for approval of Prospectus.
14. Due Diligence Certificate from Book Running Lead Manager December 22, 2023
15. In principle listing approval dated December 21, 2023 issued by NSE;

### **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>
Uddhav Poddar Managing Director DIN: 00886181	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi

### **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>
Ram Gopal Choudhary Director DIN: 06637502	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi

### **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>
Sunira Chamaria Non-Executive Director DIN: 00027894	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi

### **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>
Uma Verma Non- Executive & Independent Director DIN: 10197376	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi

### **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>
Narendra Kumar Somani Non-Executive & Independent Director DIN: 00407263	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi

### **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>
Vinay Kumar Poddar Chief Financial Officer	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi

### **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 AND COMPLIANCE OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Prateek Sharma Company Secretary and Compliance officer M.No. A66805	<b>Sd/-</b>

Date: December 24, 2023

Place: New Delhi