



MITTAL LIFE STYLE LIMITED

Unit No. 8/9, Ravi Kiran, New Link Road, Andheri-(West), Mumbai, MH 400053

Tel:- 022 26741787 / 26741792. Website:-www.mittallifestyle.in

Email:- info@mittallifestyle.in / cmd@mittallifestyle.in

CIN : L18101MH2005PLC155786

February 08, 2023

To,

The Listing Manager

National Stock Exchange of India Limited (NSE)

Exchange Plaza, 05th Floor, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East), Mumbai- 400051.

Symbol: MITTAL

Series: EQ

Sub: Outcome of the Board Meeting of Mittal Life Style Limited (the "Company") under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 held for adopting the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Right Entitlement Letter in respect of the rights issue of fully paid-up equity shares of the Company in accordance with the Companies Act, 2013, as amended and the rules made thereunder and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("Rights Issue").

In furtherance of the intimation dated February 07, 2023, wherein the Board of Directors of the Company approved the terms of the Rights Issue, this is to inform you that the meeting of the Board of Directors of the Company was held on February 07, 2023 in which the Board of Directors considered and approved **the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Right Entitlement Letter** for the Rights Issue.

The copy of the Letter of Offer has been annexed herewith for your record.

The meeting commenced at 7.00 p.m. and concluded at 8.00 p.m.

Please take the same into your records.

**For and on behalf of
Mittal Life Style Limited**

ANKITSINGH
GANESHSINGH
RAJPOOT

Digitally signed by ANKITSINGH
GANESHSINGH RAJPOOT
Date: 2023.02.08 14:06:23 +05'30'

**Ankitsingh Rajpoot
Company Secretary & Compliance Officer**



MITTAL LIFE STYLE LIMITED

Our Company was incorporated as 'Mittal Life Style Private Limited' under the provisions of the Companies Act 1956 pursuant to a certificate of incorporation dated August 31, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'Mittal Life Style Limited' pursuant to conversion into a public company pursuant to a resolution passed by the Shareholders in their meeting dated October 31, 2017 and consequently a fresh certificate of incorporation dated November 23, 2017 was issued by the Registrar of Companies, Maharashtra at Mumbai. The corporate identification number of our Company is L18101MH2005PLC155786. The registered office of our Company was originally situated at Plot No 1058, Adarsh Nagar, Near Hyundai Car Showroom, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India. Thereafter, the registered office of our Company was changed to Unit No. 8/9, Ravikiran, Ground Floor, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India.

Registered Office: Unit No. 8/9, Ravikiran, Ground Floor, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra, India;
Tel: + 91 22 2674 1792, **Contact Person:** Ankitsingh Ganeshsingh Rajpoot, Company Secretary and Compliance Officer,
E-mail: cs@mittallifestyle.in; **Website:** www.mittallifestyle.in;
Corporate Identification Number: L18101MH2005PLC155786

OUR PROMOTERS- PRATIK BRIJESHKUMAR MITTAL, BRIJESHKUMAR JAGDISHKUMAR MITTAL AND J K DENIM FAB PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

WE HEREBY CONFIRM THAT NONE OF OUR PROMOTERS OR DIRECTORS IS A WILFUL DEFAULTER OR A FRAUDULENT BORROWER AS ON DATE OF THIS LETTER OF OFFER

ISSUE OF UPTO 1,49,34,448 EQUITY SHARES OF FACE VALUE ₹ 10/- EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹10/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ NIL PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 1,493.44^L LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ONE (1) RIGHTS EQUITY SHARE(S) FOR EVERY ONE (1) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON MONDAY, FEBRUARY 13, 2023 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ONE TIME THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 137 OF THIS LETTER OF OFFER.

#Assuming full Subscription

GENERAL RISKS

Investment 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 with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of the investors is invited to the section titled "Risk Factors" on page 20 of this Letter of Offer.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Letter of Offer 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The existing Equity Shares are listed on National Stock Exchange of India Limited ("NSE" or the "Stock Exchange"). Our Company has received 'in-principle' approvals from NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated January 27, 2023. For the purpose of this Issue, the Designated Stock Exchange is NSE.

LEAD MANAGER TO THE ISSUE



SAFFRON CAPITAL ADVISORS PRIVATE LIMITED

605, Center Point, 6th floor,
Andheri Kurla Road, J. B. Nagar,
Andheri (East), Mumbai - 400 059,
Maharashtra, India.

Telephone: +91 22 4973 0394

E-mail: rights.issue@saffronadvisor.com

Website: www.saffronadvisor.com

Investor grievance: investorgrievance@saffronadvisor.com

Contact Person: Gaurav Khandelwal/ Vipin Gupta

SEBI Registration Number: INM 000011211

Validity of Registration: Permanent

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

Office No S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai-400 093,
Maharashtra, India.

Telephone: +91 22 6263 8200/ 22

E-mail: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Vijay Surana

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
WEDNESDAY, FEBRUARY 22, 2023	MONDAY, FEBRUARY 27, 2023	FRIDAY, MARCH 3, 2023

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

***Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/ chapters titled “Industry”, “Summary of this Letter of Offer”, “Financial Information”, “Statement of Tax Benefits”, “Outstanding Litigation and Defaults” and “Issue Information” on pages 59, 18, 77, 56, 129 and 137 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

Company Related Terms

Term	Description
“Company”, “our Company”, “the Company”, “MLSL”, “the Issuer”	Mittal Life Style Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at Unit No. 8/9, Ravikiran, Ground Floor, New Link Road, Andheri (West), Mumbai - 400053, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“Articles” / “Articles of Association” / “AoA”	Articles / Articles of Association of our Company, as amended from time to time.
“Annual Audited Financial Statements” or “Annual Audited Financial Information”	The audited financial statements of our Company for the year ended March 31, 2022 prepared in accordance with IND AS which comprises the balance sheet as at March 31, 2022, the statement of profit and loss, including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information read along with the report thereon.
“Audit Committee”	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“ SEBI Listing Regulations ”) and Section 177 of the Companies Act, 2013.
“Auditor” / “Statutory Auditor”/ “Peer Review Auditor”	Statutory and peer review auditor of our Company, namely, M/s Jain Jagawat Kamdar & Co., Chartered Accountants.
“Board” / “Board of Directors”	Board of directors of our Company or a duly constituted committee thereof.
“Chief Financial Officer / CFO”	Pratik Brijeshkumar Mittal, the Chief Financial Officer of our Company.
“Company Secretary and Compliance Officer”	Ankitsingh Ganeshsingh Rajpoot, the Company Secretary and Compliance Officer of our Company.
“Corporate Promoter”	J K Denim Fab Private Limited
“Director(s)”	The director(s) on the Board of our Company, unless otherwise specified.
“Equity Shareholder”	A holder of Equity Shares
“Equity Shares”	Equity shares of our Company of face value of ₹ 10 each.
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors– eligible equity shareholders as on record date making an Application through the ASBA facility.
“Executive Directors”	Executive directors of our Company.

Term	Description
“Financial Statements” or “Financial Information”	Collectively the Audited Financial Statements and the Limited Reviewed Financial Results, unless otherwise specified in context thereof.
“Independent Director(s)”	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
“Key Management Personnel” / “KMP”	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled “ <i>Our Management and Organisational Structure – Key Managerial Personnel</i> ” on page 76 of this Letter of Offer.
“Limited Reviewed Financial Results”	The limited reviewed unaudited financial results dated January 13, 2023 for the nine month period ended December 31, 2022, prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see “ <i>Financial Information</i> ” on page 77 of this Letter of Offer.
Materiality Policy	Policy on determination of materiality of events adopted by our Company in accordance with Regulation 30 of the SEBI Listing Regulations.
“Memorandum of Association” / “MoA”	Memorandum of association of our Company, as amended from time to time.
“Nomination and Remuneration Committee”	The committee of the Board of directors reconstituted as our Company’s nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
“Non-executive Directors”	Non-executive Directors of our Company.
“Non-Executive and Independent Director”	Non-executive and independent directors of our Company, unless otherwise specified
“Promoter(s)”	The promoters of our Company, namely, Pratik Brijeshkumar Mittal, Brijeshkumar Jagdishkumar Mittal and J K Denim Fab Private Limited
“Promoter Group”	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
“Registered Office”	The registered office of our Company located at Unit No. 8/9, Ravikiran, Ground Floor, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra, India.
“Registrar of Companies”/ “RoC”	Registrar of Companies, 100 Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India.
“Rights Issue Committee”	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
“Shareholders/ Equity Shareholders”	The Equity Shareholders of our Company, from time to time.
“Stakeholders’ Relationship Committee”	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

Issue Related Terms

Term	Description
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011
Abridged Letter of Offer	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
Allot/Allotment/Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.

Term	Description
Allottee(s)	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer, including an ASBA Investor.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing a SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue.
Bankers to the Issue Agreement	Agreement dated February 02, 2023 entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in “ <i>Terms of the Issue</i> ” on page 137.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Bids under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in .
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.

Term	Description
Draft Letter of Offer/DLoF/DLOF	This draft letter of offer dated January 23, 2023 filed with the Stock Exchange.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being ICICI Bank Limited.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see “ <i>Notice to Investors</i> ” on page 11.
Issue / Rights Issue	Issue of up to 1,49,34,448 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ 10 per Rights Equity Share (including a premium of ₹ NIL per Rights Equity Share) aggregating up to ₹ 1,493.44 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of one (01) Rights Equity Shares for every one (01) Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date.
Issue Agreement	Issue Agreement dated January 17, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	Friday, March 03, 2023
Issue Material	Collectively, the Abridged Letter of Offer, the Application Form and Rights Entitlement Letter.
Issue Opening Date	Wednesday, February 22, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ 10/- per Rights Equity Share.
Issue Proceeds	Gross proceeds of the Issue.
Issue Size	Amount aggregating up to ₹ 1,493.44 lakhs
Lead Manager	Saffron Capital Advisors Private Limited
Letter of Offer/LOF	The final letter of offer dated February 07, 2023 filed with the Stock Exchange and SEBI, for information purposes only.
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 50 of this Letter of Offer.
Non-Institutional Bidders or NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circular and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circular and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Monday, February 27, 2023.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being Monday, February 13, 2023.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being ICICI Bank Limited.
“Registrar to the Issue” / “Registrar”	Bigshare Services Private Limited
Registrar Agreement	Agreement dated January 17, 2023 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Person(s) who has/have acquired the Rights Entitlement from the Eligible Equity Shareholders on renunciation.

Term	Description
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Monday, February 27, 2023 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Bidders(s)/Retail Individual Investor(s)/ RII(s)/RIB(s)	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
RE ISIN	ISIN for Rights Entitlement i.e. INE997Y20019
Rights Entitlement	<p>The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being one (01) Rights Equity Shares for one (01) Equity Shares held on Monday, February 13, 2023.</p> <p>The Rights Entitlements with a separate ISIN: INE997Y20019 will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.</p>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
SEBI Rights Issue Circular	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.
Self-Certified Syndicate Banks” or “SCSBs	<p>The banks registered with SEBI, offering services in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time</p>
Stock Exchange	Stock Exchange where the Equity Shares are presently listed, being NSE.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. “Working Day” shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Business and Industry related Terms or Abbreviations

Term	Description
BTRA	The Bombay Textile Research Association
CCCT	China Chamber of Commerce for Import and Export of Textile

Term	Description
CMAI	Clothing Manufactures Association of India
PR	Public Relations
SME	Small and Medium-sized Enterprises
SSI	Small Scale Industries
QC	Quality Check

Conventional and General Terms or Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
CS	Company Secretary
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India

Term	Description
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
INR or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

Term	Description
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The Government of a state in India
Trademarks Act	Trademarks Act, 1999, as amended
TDS	Tax Deducted at Source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. In accordance with the SEBI ICDR Regulations, our Company will at least three days before the Issue Opening Date, dispatch the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, SEBI and the Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of this Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER

IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address and a valid e-mail address. The Issue Materials will be sent only to the valid e-mail address of the Eligible Equity Shareholders and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the “**US SEC**”), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM LEAD MANAGER OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the “**Civil Procedure Code**”). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL INFORMATION

Certain Conventions

All references to “India” contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see “*Financial Information*” on page 77. Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”). The Financial Statements of our Company have been prepared in accordance with Ind AS and recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI Listing Regulations. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 77.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain 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. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operation” and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

Exchange Rates

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

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

Currency	Exchange rate as on			
	December 31, 2022 [^]	March 31, 2022	March 31, 2021	March 31, 2020
1 USD	82.79	75.80	73.53	75.38

[^]The exchange rate as of December 30, 2022 has been mentioned on account of December 31, 2022 being a public holiday. (Source: www.rbi.org.in and www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable. We believe the industry and market data used in this Letter of Offer is reliable. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page 20, this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD - LOOKING STATEMENTS

This Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- If our Company is unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects;
- Our Company depends on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations;
- Our Company is highly dependent on our fabric manufacturers and suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of denim fabrics. In the event we are unable to procure adequate amounts of products, at competitive prices our business, results of operations and financial condition may be adversely affected;
- Any failure in our Company’s quality control processes may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers’ expectations; and
- Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company’s profits, thereby affecting our operation and financial condition.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 20, 66 and 118, respectively, of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, the LM, the Syndicate Member(s) nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the Lead Manager will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Our Business*”, “*Industry*”, “*Outstanding Litigations and Defaults*” and “*Terms of the Issue*” on pages 20, 43, 48, 50, 66, 59, 129 and 137 respectively.

1. Summary of Business

We, at Mittal Lifestyle take pride in introducing ourselves as a reputed trading house, dealing in Denim and Bottom Fabrics. We are a prominent supplier of Fashion Fabrics, Cotton Canvas denims, Dupion bottom Fabrics, Polyester Fabrics, Cotton Fabric, knit fabrics etc. to textile industry.

Our Company have denim jeans manufacturing rights for brands “**GERICHO LONDON**” “**MITTALIER LONDON**” and “**MCALLEN PARIS**”. Since 2020, our Company started selling the denim apparels under these brands through e-commerce platforms such as Flipkart, Snapdeal, Amazon, Glowroad, Limeroad, PayTM, Meesho, Shopclues, 2GUD.

For further details, please refer to the chapter titled “*Our Business*” at page 66 of this Letter of Offer.

2. Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in lakhs)		
Sr. No.	Particulars	Estimated Amount*
1	To augment the existing and incremental working capital requirement of our Company	1,365.00
2	General Corporate Purposes*	89.44
Net proceeds from the Issue**		1,454.44

* Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

For further details, please see chapter titled “*Objects of the Issue*” beginning on page 50 of this Letter of Offer.

3. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Our Promoters and member of our Promoter Group have, *vide* their letters dated January 17, 2023 (the “**Subscription Letters**”) undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company. Further, solely in the event of an under-subscription of this Issue, our Promoters and members of our Promoter Group may subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

The additional subscription, if any, by our Promoters and members of our Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of our Company falling below the level prescribed in SEBI Listing Regulations and SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

4. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

(₹ in lakhs)		
Nature of cases	Number of cases	Amount involved*
Proceedings involving moral turpitude or criminal liability on our Company	Nil	Nil
Proceedings involving material violations of statutory regulation by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil

*To the extent quantifiable

5. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 20 of this Letter of Offer.

6. Summary of Contingent Liabilities

Our Company does not have any contingent liabilities for nine month period ended December 31, 2022 and the Fiscal 2022.

7. Summary of Related Party Transactions

For details regarding our related party transactions for nine month period ended December 31, 2022 and the Fiscal 2022, see “*Financial Information*” at page 77 of this Letter of Offer.

8. Issue of equity shares made in last one year for consideration other than cash

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 59, 66 and 118 of this Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, including the LM, has independently verified the information in the industry report or other publicly available information cited in this section.

This Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates 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, in the section titled “Forward-Looking Statements” on page 16 of this Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information and the Limited Review Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality:

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

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively; and*
- Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Mittal Life Style Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

1. ***If we are unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects.***

Our Company is engaged in trading of denim fabrics. Our results of operations are dependent on our ability to anticipate, gauge and respond to changes in customer preferences and design of new products or modifying the fabrics we deal in by associating with diverse fabric manufacturers in accordance with changes in fashion trends as well as customer demands and preferences. If we are unable to anticipate, gauge and respond to changing customer preferences or fashion trends, or if we are unable to adapt to such changes by modifying our suppliers and products on a timely basis, we may lose, or fail to attract customers, our inventory may become obsolete and we may be subject to pricing pressure to sell our inventory at a discount. A decline in demand for our products or a misjudgement on our part could lead to lower sales, excess inventories and higher markdowns, each of which may have an adverse effect on our results of operations and financial condition.

2. ***We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.***

Our Company is engaged in trading of denim fabrics. In the nine months period ended December 31, 2022 and the Fiscals 2022 and 2021, 30.77%, 40.58% and 42.87%, respectively, of our revenue from operations were derived from our top five customers (in the respective Fiscals). Our business operations are highly dependent on our customers, and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

While we typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers and suppliers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers 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 customers or that we will be able to significantly reduce customer concentration in the future.

Further, if there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

3. ***We highly depend on our fabric manufacturers and suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of denim fabrics. In the event we are unable to procure adequate amounts of products, at competitive prices our business, results of operations and financial condition may be adversely affected.***

Our Company is engaged in trading of denim fabrics which it sources directly from denim manufacturers. Therefore, our business is highly dependent on our suppliers. Our top five suppliers accounted for 54.99%, 58.20% and 59.41% of our expenses towards the purchase of denim fabrics for the nine months period ended December 31, 2022 and the Fiscals 2022 and 2021, respectively. Thus, if we experience significant increase in demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all.

We have not entered into long term contracts with our suppliers and prices for the products purchased are normally based on the quotes we receive from various suppliers. We rely on pre-booking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers,

they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of denim fabrics, could have a material adverse effect on our business. Further, any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our business and operations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of denim fabrics to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

Further, the quantity of denim fabrics procured and the price, at which we procure such fabrics, may fluctuate from time to time. In addition, the availability and price of denim fabrics required by us may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in government policies and regulations, including those relating to the textile and fabric industry in general. We cannot assure you that we will always be able to meet our product requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of denim fabrics sold to our customers. Further, we also cannot assure you with a reasonable certainty that the denim fabrics that we would procure in the future will not be defective. In the absence of formal agreements, should we receive any defective denim fabrics, we may not be in a position to recover advance payments or claim compensation from our suppliers consequently increasing the procurement costs or reducing the realisation of our products. Any inability on our part to procure sufficient quantities of denim fabrics, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins which could adversely affect our business, results of operations and financial condition.

4. *In the past, there have been instances of delayed or non- filing of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 to RoC by our Company.*

In the past, there have been certain instances of delay in filing of statutory forms as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC by our Company. Further, there have been instances of non-filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act 1956 and Companies Act, 2013 by our Company. No show cause notice in respect to the above has been received by our Company till date. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

5. *Any failure in the quality control processes by our suppliers may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of products supplied by our manufacturers does not meet our customers' expectations.*

Our products might have certain quality issues or undetected errors, due to defects in manufacture of products caused by our suppliers. Any shortcoming in the products procured by us due to failure of the quality control procedures adopted by the suppliers, negligence, human error or otherwise, may damage our products and result in deficient products. It is imperative for our suppliers to meet the quality standards set by our customers and agencies as deviation from the same may cause them to reject our products and cause damage to our reputation, market standing and brand value.

In the event the quality of the products is sub-standard or the products procured by us suffer from defects and are returned by our customers due to quality complaints, we may be compelled to take back the sub-standard products and reimburse the cost paid by our customers. While, our suppliers reimburse us with the damages suffered by us due to quality defects, however, in the event our suppliers refuse to reimburse us or dispute the claims made by the customers, we may have to address the customers' grievances directly and also bear the losses caused due to the same, which may affect our business, results of operations and financial condition. Such quality lapses may strain our longstanding relationship with our domestic and international customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We along with our suppliers also face the risk of legal

proceedings and product liability claims being brought against us by our customers for defective products sold. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

6. *Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.*

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it may have a material adverse effect on our Company's results of operations and financial condition. We cannot assure you that the said policy will provide adequate cover towards the losses which may be incurred due to the defaults committed by our customers. For the nine months period ended December 31, 2022 and the Fiscals 2022 and 2021, our trade receivables were ₹ 1,304.01 lakhs, ₹ 1,061.45 lakhs and ₹ 2,152.92 lakhs, respectively, out of which, debts amounting to ₹ 215.44 lakhs, ₹ 478.62 lakhs and ₹ 547.47 lakhs were outstanding for a period exceeding six months.

There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

7. *If our Company is unable to continue being creative or if we are unable to keep up to the changing trends in the textile industry, it may adversely affect our business, results of operations and prospects.*

Our results of operations depend upon the continued demand of our products by our customers. Since we operate in a competitive industry where customers' purchases are highly subjective and sensitive to current trends along with creativity, keeping in with the latest trends is one of the key attributes for success. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to update our suppliers and products on a timely basis, we may lose customers to our competitors, or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. If we are not able to anticipate the demand, or misjudge the quantity, *inter alia*, this could lead to lower sales, higher inventories and higher discounts, each of which could adversely affect our brand, reputation, results of operations and financial condition.

8. *Our business and prospects may be adversely affected if we are unable to maintain and grow the image of our brands.*

Our Company has created a brand presence with our brands "**Gericho London**", "**Mittalier London**" and "**McAllen Paris**". We sell our products under our brands, which we believe are well recognized, have been developed to cater to our intermediaries and have contributed to the success of our business in the market for denim fabrics. We believe our brand's image serve in attracting intermediaries and end use customers to our products in preference over those of our competitors.

Maintaining and enhancing the recognition and reputation of these brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our brands, including maintaining or improving customer satisfaction and the popularity of our products and increasing brand awareness through brand building initiatives. In particular, from time to time we showcase newly launched brands and products, and if any of those products do not meet standards for quality and performance or customers' subjective expectations, our brand reputation and the sales of our products may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, or the quality of our products declines, our business and prospects may be adversely affected.

9. *The business orders which we undertake may be delayed, modified, cancelled, or not fully paid for by our clients and therefore, could materially affect our business, results of operations and financial condition.*

The business orders which we undertake may be cancelled or may be subject to changes in scope or schedule. We may also encounter problems executing the orders or executing them on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone an order or cause its cancellation. Such factors could include delays or failures to obtain necessary permits, right-of-way, or receive performance bonds and other types of difficulties or obstructions. Any delay, failure, or execution difficulty with respect to orders in our Order Book could materially affect our business, results of operations and financial condition.

10. *Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.*

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- our ability to acquire and retain clients for our products & services;
- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- adhering to our high quality and process execution standards;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training, and retaining sufficient skilled technical and management personnel; and
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

11. *We may not be able to maintain our current levels of profitability due to increased costs or reduced trading spreads or margins.*

Our business strategy involves a relatively high level of ongoing interaction with our clients. We believe that this involvement is an important part of developing our relationship with our clients, identifying new cross selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the various products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our traded products were to reduce substantially, which could adversely affect our results of operations.

12. *We have experienced negative cash flows in relation to our operating activities and investment activities in recent years/periods. Any negative cash flows in the future could adversely affect our results of operations and financial condition.*

We have experienced negative cash flows from operations in the recent past. Our cash flow for FY 2020-21, FY 2021-22 and nine months period ended December 31, 2022, are set forth in the table below:

(₹ in lakhs)

Particulars	For the year ended March 31		Period ended	
	2021-22	2020-21	December 31, 2022	December 31, 2021
Net cash from/(used in) operating activities	489.23	47.11	45.13	481.42
Net cash from/(used in) investing activities	(701.84)	(3.15)	(39.93)	(476.01)
Net cash from/(used in) financing activities	212.86	(42.85)	(5.28)	(3.80)

The reasons for incurring negative cash flow by our Company, have been provided below:

Operating Activities

Nine months period ended December 31, 2022

There was a decrease in net cash generated from operating activities to ₹ 45.13 lakhs for the period ended December 31, 2022 from ₹ 481.42 lakhs for the period ended December 31, 2021. This decrease was primarily on account of increase in trade payables of ₹ 217.57 lakhs, increase in inventories for ₹ 185.32 lakhs. This increase was offset by decrease in short term borrowings of ₹ 19.58 lakhs, trade receivables of ₹ 42.14 lakhs other current assets of ₹ 51.40 lakhs and short term provisions and other current liabilities of ₹ 69.88 lakhs.

Financial year 2021-22

Net cash used in operating activities was ₹ 489.23 lakhs for the financial year 2021-22. Our operating profit before working capital changes was ₹ 34.30 lakhs for the financial year 2021-22 which was primarily adjusted for decrease in trade receivables by ₹ 1,091.45 lakhs, inventories by ₹ 298.35 lakhs, trade payables & short term borrowings by ₹ 933.95 lakhs, other current assets by ₹ 2.65 lakhs, and other current liabilities by ₹ 3.59 lakhs.

Financial year 2020-21

Net cash generated from operating activities was ₹ 47.11 lakhs for the financial year 2020-21. Our operating profit before working capital changes was ₹ 84.78 lakhs for the financial year 2020-21 which was primarily adjusted for decrease in trade payables & short term borrowings by ₹ 525.23 lakhs, other current liabilities by ₹ 2.37 lakhs, inventories by ₹ 121.26 lakhs and trade receivables by ₹ 390.38 lakhs which was offset by increase in other current assets by ₹ 21.71 lakhs.

Investing Activities

Nine months period ended December 31, 2022

There was a negative net cashflow from investing activities to negative ₹ 39.93 lakhs for the period ended December 31, 2022 from negative ₹ 476.01 lakhs for the period ended December 31, 2021. This was due to investment in fixed assets of ₹ 95.69 lakhs which was offset by sale of mutual funds of ₹ 55.76 lakhs.

Financial year 2021-22

Net cash used in investing activities was negative ₹ 701.84 lakhs for the financial year 2021-22. This was primarily on account of purchase of fixed assets of ₹ 1.84 lakhs and mutual funds of ₹ 725.00 lakhs which was offset by proceeds received from sale of mutual funds of ₹ 24.48 lakhs and gain on sale of mutual funds of ₹ 0.52 lakhs.

Financial year 2020-21

Net cash used in investing activities was negative ₹ 3.15 lakhs for the financial year 2020-21, primarily on account of purchase of purchase of fixed assets.

Financing Activities

Nine months period ended December 31, 2022

There was an increase in net cashflow from financing activities to negative ₹ 5.28 lakhs for the period ended December 31, 2022 from negative ₹ 3.80 lakhs for the period ended December 31, 2021. This increase was due to finance cost paid to bank of ₹ 1.48 lakhs more than the previous period.

Financial year 2021-22

Net cash generated from financing activities for the financial year 2021-22 was ₹ 212.86 lakhs. This was on account of issue of share of ₹ 201.00 lakhs along with Securities Premium of ₹ 16.44 lakhs. This was partially offset by finance cost paid of ₹ 4.58 lakhs to banks.

Financial year 2020-21

Net cash used in financing activities for the financial year 2020-21 was negative ₹ 42.85 lakhs. This was on account of finance cost paid to banks.

Any negative cash flows in the future could adversely affect our results of operations and financial condition.

For further details, see “Management’s Discussion and Analysis of our Financial Condition and Results

of Operations” on page 118.

13. *If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.*

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

14. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*

Our business requires a significant amount of working capital. As per our settled business terms, we require our customers to pay the full amount of the consideration only after they receive the order, as a result, significant amounts of our working capital are often required to finance the purchase of denim fabrics from our suppliers before payment is received from our customers. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks are required to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.


Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see “*Objects of the Issue*” on page 50. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we make provisions for bad debts, including those arising from such defaults based primarily age of the debt and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result, in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

15. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.*

Our Company has created a brand presence with our major brands “**Gericho London**”, “**Mittalier London**” and “**McAllen Paris**”. Our Company’s success largely depends on our brand name and brand

image, therefore we have trademarked our brand names and their logos differentiating our Company's products from that of our competitors. We deal under other brand names as well, which have also been trademarked by us to maintain a distinction and differentiation for our products and brands. Our current trademark and logo , is owned by our Company under the provisions of the Trademarks Act, 1999. Our trademarks may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs.

Further, we believe that there may be other companies or vendors which operate in the unorganized segment using our tradename or brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming, continuous supply of denim fabrics or to deliver our costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which might adversely affect our business, results of operations and financial condition.

16. We do not own certain premises used by our Company. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our business.

The Registered Office of our Company is taken on lease for a fixed tenure. The lease is renewable on mutually agreed terms. Upon termination of the lease, we are required to return the said business premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we are required to vacate our offices, we may be required to identify alternative premises and enter into fresh lease or leave and license agreement. We may have to find new premises which may lead to higher costs. However, since the registered office premises are owned by our promoter/promoter group, we do not foresee any problem in renewal.

17. Our inability to receive or renew the necessary licenses, approvals and registrations in a timely manner or at all may lead to interruption of our Company's operations.

We require certain statutory and regulatory approvals, licenses, registrations and permissions to operate our trading business, some of which have been granted for a fixed period of time and need to be renewed from time to time. As of date of this Letter of Offer, there are no pending proceedings, which have been initiated against us by the statutory authorities. We cannot assure you that in the near future there will not be any legal actions taken against us for the same.

Further, our licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may adversely affect our business.

18. We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality of products and our Company might not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which might have an adverse effect on our business, results of operations and financial condition.

- 19. We are dependent on third party transportation providers for delivery of denim fabrics to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations may adversely affect our business, financial condition and results of operation.***

In order to ensure smooth functioning of our business operations, we need to maintain continuous supply and transportation of the products from the suppliers to our Company and transportation of our products to our customers, which may be subject to various uncertainties and risks. We are significantly dependent on third party transportation providers for the delivery of denim fabrics to us and delivery of our products to our customers. Uncertainties and risks such as transportation strikes or delay in supply of products is likely to have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to deliver our products to our customers in a timely, efficient and reliable manner may adversely affect our business, results of operations and financial condition.

Further, we have not entered into any long-term agreements with our transporters and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transport agencies would fulfill their obligations or would not commit a breach of the understanding with us. While, our supplier avail insurance for the products transported to us and charge the costs of the same to our Company, however, in the event that the products suffered damage or are lost during transit, and in the event the insurance is insufficient to cover the damage suffered by us, we may not be able to prosecute the transport agencies due to lack of formal agreements and may have to bear additional costs, which could strain our financial resources. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which might adversely affect our business, results of operations and financial condition.

- 20. If we are unable to identify customer demand accurately and maintain an optimal level of inventory proportionately, our business, results of operations and financial condition may be adversely affected.***

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in such identification could result in either surplus stock, which we may not be able to sell in a timely manner, or no stock at all, or under stocking, which will affect our ability to meet customer demand. We plan our inventory and estimate our sales based on the forecast, demand and requirements for our products based on past data. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively by readily making our products available to our customers. Ensuring continuous availability of our products requires prompt turnaround time and a high level of coordination across suppliers, inventory management and departmental coordination. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we

fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory would have to be sold at a discount, leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition. If we under-stock inventory, our ability to meet customer demand may be adversely affected.

21. *Our industry is competitive and our inability to compete effectively will adversely affect our business, results of operations, financial condition and cash flows.*

The textile industry in India is fragmented and competitive with several regional brands and retailers present in local markets across the country. The textile market in India has historically been dominated by the unorganized sector. Our products compete with local retailers, non-branded products, economy brands and products of other established brands. Any increase in sale of such brands or if preference is given to such brands it may have an adverse impact on our business and results of operations. Some of our competitors may be able to procure denim fabrics at lower costs than us, and consequently be able to sell their products at lower prices. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with products at more competitive prices.

We cannot assure you that we will be able to effectively and successfully compete in future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. For further details, please see “*Industry Overview*” on page 59 of this Letter of Offer.

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

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. Further, as on December 31, 2022, our Company has availed unsecured loans from our Promoters, our Director, namely Sudha Brijesh Mittal and certain relatives of our Directors and entities associated with our Directors, therefore our Promoters and Directors may be deemed to be interested to the extent of the loans availed by our Company. For further details, please see the section titled “*Financial Information*” at page 77 of this Letter of Offer.

There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

23. *We rely significantly on our direct marketing network for sale of our products. Also, we do not have any formal agreement with our customers.*

We sell our products through our direct marketing network and through our marketing and sales executives. We sell our products in Mumbai, and Ulhasnagar Districts. As on date, we do not have any formal agreement with our customers. In the absence of any formal agreement with them, these clients may stop purchasing our products which may adversely affect our operations. Furthermore, our business growth depends on our ability to attract additional customers and widen our network and our marketing and sales executives. While we believe, that we have good relations with our customers but there is no assurance that our customers will continue to do business with us or that we can continue to attract additional customers. If we do not succeed in maintaining the stability of our customer network, our market share may decline, materially affecting our results of operations and financial condition. However, we have been constantly adding more customers which is evident from our growth in sales.

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

Our lease agreements for registered office have not been stamped & registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

25. *Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.*

We have taken insurance which may not be adequate enough for covering the entire future unforeseen liabilities that might occur in the normal course of business. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time by the insurers. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For further details on insurance arrangements, see the section titled “*Our Business*” on page 66 of this Letter of Offer.

26. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.*

After the completion of the Issue, our Promoters and the members of the Promoter Group will hold approximately 45.07% of the paid-up equity share capital of our Company assuming full subscription to the Rights Entitlement in the Issue. Our Promoters and the members of the Promoter Group holding Equity Shares in our Company, have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. So long as the Promoters have a majority holding, they will be able to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoters’ shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

27. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.*

Our business is increasingly dependent on our ability to process transactions and banking data into well managed accounts systems. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate a growing customer base or product portfolio or supplier base. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.

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

As of December 31, 2022, March 31, 2022, March 31, 2021, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please see the section titled “*Financial Information*” at page 77 of this Letter of Offer.

While we believe that all our related party transactions have been conducted on an arm’s length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

29. *The agreements executed by our Company with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.*

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans/inter corporate deposits availed from Promoters and third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future.

Further, some of the financing arrangements include covenants which mandate us to maintain total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. This might have an adverse effect on our cash flows, business, results of operations and financial condition.

30. *We face risks of delisting or debarment from online platforms.*

We have recently started selling our products through certain online commercial platforms. In the event, we receive negative reviews on our products or receive complaints in respect of products supplied by us, we may face the risk of delisting or debarment from online platforms. Damage caused to our business reputation and brand name may deter users from using our brands, which may have an adverse effect on our financial performance and prospects.

31. *In addition to the existing indebtedness, our Company may incur further indebtedness during the course of business. We cannot assure that our Company would be able to service the existing and/or additional indebtedness.*

As on December 31, 2022 the total fund based secured and unsecured indebtedness of our Company is ₹ 233.03 lakhs. In addition to the indebtedness for the existing operations of our Company, may incur further indebtedness during the course of their business. We cannot assure you that our Company will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service the indebtedness of our Company or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations.

- 32. *Our Promoters and members of our Promoter Group have extended personal guarantees and have provided their property and shares as collateral security for loan facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of such property may adversely affect our business operations and financial condition.***

Our Promoters, Pratik Brijeshkumar Mittal and Brijeshkumar Jagdishkumar Mittal, and members of our Promoter Group, Sudha Brijeshkumar Mittal and Brijesh Kumar Mittal (HUF) have extended personal guarantees in favour of Bank of Maharashtra with respect to the loan facilities availed by our Company. Further, Brijeshkumar Jagdishkumar Mittal and Sudha Brijeshkumar Mittal have also provided certain of their personal properties as collateral security for the loan availed by our Company from Bank of Maharashtra.

In the event any of these guarantees are revoked or the properties and shares provided as a security are withdrawn, our lender may require us to furnish alternate guarantees or an additional security or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees or provide an alternate collateral security in a timely manner or at all. If our lender enforces these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered and lender may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations.

- 33. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

- 34. *Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

The growth and success of our Company's future significantly depends upon the experience and continued services and the management skills of our Key Managerial Personnel and the guidance of our Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “Our Management and Organisational Structure” on page 74 of this Letter of Offer.

- 35. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with

them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future.

36. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.*

As the issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “Objects of the Issue” on page 50 of this Letter of Offer.

37. *As the securities of our Company are listed on National Stock Exchange of India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.*

The Equity Shares of our Company are listed on NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, as well as requirements under the Companies Act for a listed Company. During the preceding one year from the date of filing of this Letter of Offer, there have been no defaults in complying with the applicable provisions of SEBI Listing Regulations and accordingly, our Company has filed this Letter of Offer under Part B of Schedule VI of SEBI ICDR Regulations. Our Company endeavours to comply with all applicable obligations/reporting requirements, however, upon occurrence of any future instances of non-disclosures/delayed/erroneous disclosures and/or any other violations by us, our Company may be exposed to imposition of penalties, warnings and show cause notices being against us by SEBI and Stock Exchange. Any future adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

38. *We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.*

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “Industry Overview” of this Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

ISSUE SPECIFIC RISKS

39. *We will not distribute the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.*

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circular our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

40. *SEBI has recently, by way of circular dated January 22, 2020, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circular dated January 22, 2020 and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 137 of this Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned / reversed / failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

41. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with the circular SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For details, please refer chapter “*Terms of the Issue*” on page 137 of this Letter of Offer..

42. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 137 of this Letter of Offer..

43. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchanges on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

45. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

46. *Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.*

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

47. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

48. *The trading price of our Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price.*

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

49. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

50. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that

may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

51. *Investors will not have the option of getting the allotment of Equity Shares in physical form.*

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see “*Terms of the Issue*” on page 137 of this Letter of Offer. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

52. *There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on the Stock Exchange.*

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be applied for or granted until after our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. Accordingly, there could be a failure or delay in listing our Equity Shares on the Stock Exchange, which would adversely affect your ability to sell our Equity Shares.

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

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

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

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

EXTERNAL RISK FACTORS

55. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards (“IFRS”), which investors may be more familiar with and consider material to their assessment of our financial condition.*

Our summary statements of assets and liabilities and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity, as per the Financial Statements, have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR

Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

56. *Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products or services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

57. *A slowdown in economic growth in India could cause our business to suffer.*

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards (“**ICDS**”), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules (“**GAAR**”) have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

59. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in

Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

These could include further falls in Stock Exchange's indices and greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

60. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the

pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the insurance industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of price points of various input costs and thereby increase our operational cost.

The Taxation Laws (Amendment) Act, 2019, also prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate (on gross basis) for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to COVID -19 pandemic, the Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, among others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. Furthermore, the Government of India announced the Union Budget for Fiscal 2022 ("**Budget 2022**"), pursuant to which the Finance Bill 2022 (defined below) has proposed various amendments which will only come into effect upon receipt of Presidential assent to the bill and notification in requisite acts. We have not fully determined the impact of these recent and proposed laws and regulations on our business.

There can be no assurance that we will not be required to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations in connection with GST. While we are and will comply with the GST rules and regulations, any failure to comply with the same may result in noncompliance with the GST and may adversely affect our business and results of operations. The GoI announced the union budget for fiscal year 2023, following which the Finance Bill, 2022 was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill 2022 received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022 ("**Finance Act 2022**"). We cannot predict whether the amendments made and yet to be notified pursuant to the Finance Act 2022 would have an adverse effect on our business, financial condition, future cash flows and results of operations. Any changes in the Finance Act 2022 or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws that are applicable to our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

Changes in other laws may impose additional requirements, resulting in additional expenditure and time cost. For instance, the GoI has announced four labour codes which are yet to come into force as on the date of this Letter of Offer, namely, (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020; (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations. While the rules for implementation under these codes have not been announced, we are unable to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as “gig workers” and “platform workers” and provides for the mandatory registration of such workers in order to enable these workers to avail themselves of various employment benefits, such as life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. Any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

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

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

65. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders’ equity and the price of our Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on November 18, 2022 pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled “*Terms of the Issue*” on page 137 of this Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto 1,49,34,448 Equity Shares
Rights Entitlement	Upto one (01) Equity Share(s) for every one (01) fully paid-up Equity Share(s) held on the Record Date.
Fractional Entitlement	Since the Right Entitlement Ratio is one (1) Equity Share(s) for every one (1) fully paid-up Equity Share(s) held, there will not be any fractional entitlement in the Issue.
Record Date	Monday, February 13, 2023
Face value per Equity Shares	₹ 10/-
Issue Price per Rights Equity Shares	₹ 10/-
Issue Size	Upto 1,49,34,448 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 10/- (Including a premium of ₹ Nil) per Rights Equity Share not exceeding an amount of ₹ 1,493.44 lakhs.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and paid up prior to the Issue	1,49,34,448 Equity Shares
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Upto 2,98,68,896 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	2,98,68,896
Money payable at the time of Application	₹ 10/-
Scrip Details	ISIN: INE997Y01019 Symbol: MITTAL RE ISIN: INE997Y20019
Use of Issue Proceeds	For details please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 50 of this Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 137 of this Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 137 of this Letter of Offer.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	Wednesday, February 22, 2023
Last Date for On Market Renunciation of Rights Entitlements	Monday, February 27, 2023
Issue Closing Date*	Friday, March 03, 2023

*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.

GENERAL INFORMATION

Our Company was incorporated as '*Mittal Life Style Private Limited*' under the provisions of the Companies Act 1956 pursuant to a certificate of incorporation dated August 31, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to '*Mittal Life Style Limited*' pursuant to conversion into a public company pursuant to a resolution passed by the Shareholders in their meeting dated October 31, 2017 and consequently a fresh certificate of incorporation dated November 23, 2017 was issued by the Registrar of Companies, Maharashtra at Mumbai. The corporate identification number of our Company is L18101MH2005PLC155786.

Registered Office of our Company

Mittal Life Style Limited

Unit No. 8/9, Ravikiran, Ground Floor,
New Link Road, Andheri (West),
Mumbai - 400053, Maharashtra.

Telephone: + 91 22 2674 1792

Facsimile: +91 22 2674 1787

E-mail: info@mittallifestyle.in

Website: www.mittallifestyle.in

Registration Number: 155786

CIN: L18101MH2005PLC155786

Corporate office of our Company

Our Company does not have a corporate office.

Registrar of Companies

Our Company is registered with the Registrar of Companies, at Mumbai, Maharashtra situated at the following address:

Registrar of Companies,

100, Everest,
Marine Drive, Mumbai 400 002,
Maharashtra, India

Telephone: +91 22 2281 2627

Facsimile: +91 22 2281 1977

E-mail: roc.mumbai@mca.gov.in

Chief Financial Officer

Pratik Brijeshkumar Mittal, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

Unit No. 8/9, Ravikiran,
Ground Floor, New Link Road,
Andheri (West), Mumbai - 400053,
Maharashtra.

Telephone: +91 22 2674 1787 / 2674 1792

E-mail: pratikmittal@mittallifestyle.in

Company Secretary and Compliance Officer

Ankitsingh Ganeshsingh Rajpoot, Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

Unit No. 8/9, Ravikiran, Ground Floor,
New Link Road, Andheri (West),
Mumbai - 400053, Maharashtra.

Telephone: +91 22 2674 1787 / 2674 1792
E-mail: cs@mittallifestyle.in

Details of Key Intermediaries pertaining to this Issue of our Company:

Lead Manager to the Issue

Saffron Capital Advisors Private Limited
605, Center Point, 6th floor, Andheri Kurla Road,
J. B. Nagar, Andheri (East), Mumbai - 400 059,
Maharashtra, India.
Telephone: +91 22 4973 0394
E-mail: rights.issue@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance: investorgrievance@saffronadvisor.com
Contact Person: Gaurav Khandelwal/ Vipin Gupta
SEBI Registration Number: INM 000011211
Validity of Registration: Permanent

Registrar to the Issue

Bigshare Services Private Limited
Office No S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai-400 093,
Maharashtra, India.
Telephone: +91 22 6263 8200/ 22
E-mail: rightsissue@bigshareonline.com
Website: www.bigshareonline.com
Contact person: Vijay Surana
Investor grievance: investor@bigshareonline.com
SEBI Registration No: INR000001385
Validity of Registration: Permanent

Legal Advisor to the Issue

T&S Law
Door Number 1202, Devika Towers,
Ghaziabad – 201 017,
Uttar Pradesh, India
Telephone: +91 93 1022 0585
Email: info@tandslaw.in

Statutory and Peer Review Auditor of our Company

Jain Jagawat Kamdar & Co.
Chartered Accountants
301-302, Poonam Pearl, Next to Himachal Society,
Opp. New India Colony, Juhu Lane, Andheri
(West) Mumbai- 400 058, Maharashtra, India.
Telephone: +91 93 2417 7333 / 81 0485 4097 / 81 0484 6127 / 22-2620 3021
Email: c.jagawat@jjkandco.com , jjk@jjkandco.com
Website: www.jjkandco.com
Contact Person: CA Chandra Shekhar Jagawat
Membership No.: 116078
Firm Registration No.: 122530W
Peer Review Certificate No.: 014373

Bankers to the Issue/ Refund Bank

ICICI Bank Limited,

Capital Markets Division,
5th Floor, HT Parekh Marg Churchgate,
Mumbai - 400020

Telephone: 022- 68052182

E-mail: sagar.welekar@icicibank.com, ipocmg@icicibank.com

Website: www.icicibank.com

SEBI Registration Number: INBI000000004

Contact Person: Mr. Sagar Welekar

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at 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 Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Inter-se Allocation of Responsibilities

Saffron Capital Advisors Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence a statement of inter se allocation of responsibilities is not required.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Debenture Trustees

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

As the net proceeds of the Issue shall not exceed ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Underwriting Agreement

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Expert Opinion

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

Our Company has received written consent dated January 19, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) audited financial statements of the Company for the Fiscals 2022 and their report thereon dated May 25, 2022; (ii) limited review report dated January 13, 2023 on the unaudited financial statements for the nine month period ended December 31, 2022; and (iii) statement of tax benefits dated January 19, 2023 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer was filed with National Stock Exchange of India Limited and not with SEBI. However, the Letter of Offer has been submitted with SEBI for information and dissemination and has been filed with the Stock Exchange.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	Wednesday, February 22, 2023
Last Date for On Market Renunciation of Rights	Monday, February 27, 2023
Issue Closing Date*	Friday, March 03, 2023

**The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to:

- (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and
- (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Letter of Offer and after giving effect to the Issue is set forth below:

<i>Amount (in ₹ Lakhs, except share data)</i>			
Sr. No	PARTICULARS	Aggregate value at nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	3,00,00,000 Equity Shares of face value of ₹ 10 each	3,000.00	N.A.
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,49,34,448 Equity Shares of face value of ₹ 10 each	1,493.44	N.A.
C.	Present Issue in terms of this Letter of Offer⁽¹⁾		
	Up to 1,49,34,448 Equity Shares of ₹ 10/- each	1,493.44	1,493.44 [#]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	2,98,68,896 Equity Shares of face value of ₹ 10/- each	2,986.89	
E.	Securities Premium Account		
	Before the Issue	16.44	
	After the Issue**	16.44	

⁽¹⁾The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated November 18, 2022.

[#]Assuming full subscription for and allotment of the Equity Shares.

^{**}Subject to Basis of Allotment.

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments

As on date of this Letter of Offer, our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme. Further, it has not issued any convertible securities which are outstanding as of date of this Letter of Offer.

2. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Our Promoters and members of our Promoters and Promoter Group have, *vide* their letters dated January 17, 2023 (the “**Subscription Letters**”) undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company. Further, solely in the event of an under-subscription of this Issue, our Promoters and members of our Promoter Group may subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

The additional subscription by the Promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

3. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange in compliance with the SEBI Listing Regulations

- i. The shareholding pattern of our Company as on December 31, 2022, can be accessed on the website of the NSE at: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MITTAL&tabIndex=equity>
 - ii. Statement showing shareholding pattern of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on December 31, 2022 can be accessed on the website of the NSE at: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MITTAL&tabIndex=equity>
 - iii. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as of December 31, 2022 can be accessed on the website of the NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MITTAL&tabIndex=equity>
4. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 11.03/- per equity share.

5. Details of shares locked-in, pledged, encumbrance by promoters and promoter group:

Our Promoter, namely, Pratik Brijeshkumar Mittal and members of our Promoter Group, have locked in 15,50,000 Equity Shares aggregating to 23.03% of the paid-up equity share capital of our Company, pursuant to the preferential allotment undertaken in accordance with the special resolution passed by the shareholders through postal ballot on December 30, 2021 and pursuant to the in-principle approval bearing number NSE/LIST/29424 dated January 21, 2022 issued by NSE. For further details, please refer to the shareholding pattern of the Promoters and Promoter Group as on December 31, 2022 which can be accessed on the website of the NSE at: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MITTAL&tabIndex=equity>

6. Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Letter of Offer:

Except for 3,60,000 Equity Shares allotted to J K Denim Fab Private Limited pursuant to a preferential allotment undertaken in accordance with the special resolution passed by the shareholders through postal ballot on December 30, 2021 and pursuant to the in-principle approval bearing number NSE/LIST/29424 dated January 21, 2022 issued by NSE, our Promoters and members of Promoter Group have not acquired any Equity Shares in the last one year immediately preceding the date of filing of the Letter of Offer.

7. Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital

The details of shareholders of our Company holding more than 1% of the issued and paid -up Equity Share capital of our Company, as on December 31, 2022 are available at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=MITTAL&tabIndex=equity>

8. At any given time, there shall be only one denomination of the Equity Shares of our Company.
9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

Our company proposes to utilize the net proceeds from the issue towards funding the following objects:

- To augment the existing and incremental working capital requirement of our Company; and
- General Corporate Purposes (collectively, referred to hereinafter as the “*Objects*”)

We intend to utilize the gross proceeds raised through the Issue (the “*Issue Proceeds*”) after deducting the Issue related expenses (“*Net Proceeds*”) for the above-mentioned Objects.

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Details of Issue Proceeds

The details of objects of the Issue are set forth in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount
1	Gross Proceeds from the Issue*	1,493.44
2	Less: Issue related expenses**	39.00
Net Proceeds from the Issue		1,454.44

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

** See Issue Related Expenses on page 53 of this Letter of Offer.

Requirement of Funds and Utilization of Net Proceeds

We intend to utilize the Net Proceeds in the following manner:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount*
1	To augment the existing and incremental working capital requirement of our Company	1,365.00
2	General Corporate Purposes*	89.44
Net proceeds from the Issue**		1,454.44

* Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Means of Finance

The funding requirements mentioned above are based on inter alia our Company’s internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities, interest or exchange rate fluctuations. Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds and identifiable internal accruals. Therefore, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Proposed Schedule of Implementation and Deployment of Funds

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

(₹ in lakhs)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds for the FY 2022-23	Estimated deployment of Net Proceeds for the FY 2023-24
1	To augment the existing and incremental working capital requirement of our Company	1,365.00	600.00	765.00
2	General Corporate Purposes [#]	89.44	15.00	74.44
Total Net proceeds from the Issue*		1,454.44	615.00	839.44

[#]The amount to be utilized for General corporate purposes will not exceed 25% of the Gross Proceeds;

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio;

Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them. Further, in the event of any shortfall of funds for any of the activities proposed to be financed out of the Net Proceeds, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Our Company may also utilize any portion of the Net Proceeds, towards the aforementioned objects of the Issue, ahead of the estimated schedule of deployment specified above. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Our Promoters and member of our Promoter Group have, *vide* their letters dated January 17, 2023 (the "**Subscription Letters**") undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company. Further, solely in the event of an under-subscription of this Issue, our Promoters and members of our Promoter Group may subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

Any such acquisition of Additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempted in terms of Regulation 10(4)(b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 11.03/- per Equity Share.

Details of the Objects of the Issue

1. To augment the existing and incremental working capital requirement of our company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and availed working capital loan from banks. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

Basis of estimation of working capital requirement

The details of our Company's working capital as at March 31, 2022 and March 31, 2021 and source of funding of the same are provided in the table below:

(₹ in lakhs)

Sr. No	Particulars	FY 2020-21		FY 2021-22	
		Amount	Holding period (in days)	Amount	Holding period (in days)
I	Current Assets				
1	Trade receivables	2,152.92	151	1,061.45	75
2	Other current assets	23.55	2	14.08	1
3	Inventories	380.03	27	81.68	6
4	Cash and cash equivalents	23.29	-	23.54	-
	Total (I)	2,579.79	-	1,180.74	-
II	Current Liabilities				
1	Trade payables	565.33	40	212.51	15
2	Other current liabilities	8.47	1	4.88	-
	Total (II)	573.81	-	217.39	-
III	Net Working capital requirement	2,005.98	-	963.36	-
IV	Means of Finance				
1	Current Borrowings (other than current maturities of non-current borrowings)	656.50	-	75.37	-
2	Networth / Internal Accruals	1,349.48	-	887.98	-
	Total (IV)	2,005.98	-	963.36	-

Note: Pursuant to the certificate dated January 21, 2023 issued by the Statutory Auditor of our Company.

On the basis of the existing working capital requirements of the Company and the incremental and proposed working capital requirements, the details of our Company's expected working capital requirements, as approved by the management dated January 21, 2023, for the Fiscal 2023 and Fiscal 2024 and funding of the same are as provided in the table below:

Details of Projected Working Capital Requirements

(₹ in lakhs)

Sr. No	Particulars	FY 2022-23		FY 2023-24	
		Amount (in Lakhs)	Holding period (in days)	Amount (in lakhs)	Holding period (in days)
I	Current Assets				
1	Trade receivables	1,537.03	78	2,905.62	117
2	Other current assets	74.89	4	49.98	2
3	Inventories	399.00	20	224.00	9
4	Cash and cash equivalents	1,023.54	-	881.98	-
	Total (I)	3,034.46	-	4,061.58	-
II	Current Liabilities				
1	Trade payables	156.23	8	431.01	17
2	Other current liabilities	8.00	-	10.00	-
	Total (II)	164.23	-	441.01	-
III	Net Working capital requirement	2,870.23	-	3,620.57	-
IV	Means of Finance				
1	Networth / Internal Accruals	2,270.23	-	2,855.57	-
2	Net Proceeds from Rights Issue	600.00	-	765.00	-
	Total (IV)	2,870.23	-	3,620.57	-

Note: Pursuant to the certificate dated January 21, 2023 issued by the Statutory Auditor of our Company.

Assumptions for Working Capital Requirements

Sr. No.	Particulars	Assumptions
Current Assets		
1	Inventories	Inventory holding period are maintained by our Company depending upon the demand and delivery schedules. Historically, our Company had Inventory holding period of 27 days and 6 days for Fiscal 2021 and Fiscal 2022 respectively. The inventory holding period is maintained at around 20 days & 9 days for Fiscal 2023 and Fiscal 2024 respectively.
2	Trade Receivable	This is based on the average standard payment terms across our customers. The Company's general credit terms vary across geographies and type of customer, and past trends. Historically, our Company had trade receivables days of 151 days and 75 days for Fiscal 2021 and Fiscal 2022 respectively. Trade receivable days are expected to be at 78 days in Fiscal 2023, 117 days in Fiscal 2024.
3	Other Current Assets	This primarily comprises of deferred expenses, input tax credits. Other current assets have been maintained in line with the projected business activity at 4 days for the Fiscals 2023, and at 2 days for fiscal 2024.
Current Liabilities		
4	Trade Payables	This is based on the standard payment terms of our vendors. Historically, our Trade Payables days were 40 days and 15 days for the Fiscal Year 2021 and Fiscal 2022 respectively. It is expected to be at 8 days for Fiscal 2023 and 17 days for Fiscal 2024.

2. General Corporate Purposes

Our Company intends to deploy the balance Gross Proceeds, aggregating to ₹ 89.44 lakhs towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross proceeds in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds may include, but are not restricted to, drive our business growth, including, amongst other things, funding growth opportunities, including strategic initiatives and joint ventures, acquiring assets such as plant and machineries, immovable properties, leasehold improvements and intangibles, prepayment or repayment of borrowings availed by our Company, meeting of exigencies which our Company may face in the course of any business, brand building and other marketing expenses and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable.

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, subject to compliance with applicable law.

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. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

(₹ in lakhs)			
Particulars	Expenses*	As a % of total expenses*	As a % of Gross Issue size*
Fees of the Lead Manager, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	20.90	53.59%	1.40%

Particulars	Expenses*	As a % of total expenses*	As a % of Gross Issue size*
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	4.80	12.31%	0.32%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	13.30	34.10%	0.89%
Total estimated Issue expenses*	39.00	100.00%	2.61%

**Subject to finalisation of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.*

Interim Use Of Funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors.

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

Appraisal By Appraisal Agency

None of the objects have been appraised by any bank or financial institution or any other independent third – party organizations.

Bridge Financing Facilities

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

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Monitoring Of Utilization Of Funds

Since the Issue is for an amount not exceeding ₹10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, 2018. Our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

Key Industrial Regulations for the Objects of the Issue

No additional provisions of any acts, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Other Confirmations

No part of the Net Proceeds will be paid by our Company to the promoter and promoter group, the directors, associates or key management personnel or group companies, except in the normal course of business and in compliance with the applicable law.

There are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, our Directors, Key Managerial Personnel and our Associate Company. Our Company does not require any material government and regulatory approvals in relation to the objects of the Issue.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

To,

The Board of Directors

Mittal Life Style Limited

Unit No. 8/9, Ravikiran, Ground Floor,

New Link Road,

Andheri (West), Mumbai – 400053,

Maharashtra, India

Dear Sirs,

Subject: Statement of Special Tax Benefits available to Mittal Life Style Limited and its Shareholders

We report that, the enclosed statement in the Annexure, there is no special tax benefits under direct tax laws i.e. Income tax Rules, 1962 including amendments made by the Finance Act, 2022 (hereinafter referred to as “**Income Tax Laws**”), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders as per the Finance Act 2022 and other amendments.

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.

Yours Faithfully,

For Jain Jagawat Kamdar & Co

Chartered Accountants

Firm Registration Number: 122530W

Sd/-

CA Chandra Shekhar Jagawat

Partner

Mem. No.: 116078

UDIN: 23116078BGQLBB9338

Date: 19/01/2023

Place: Mumbai

ANNEXURE 1

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO MITTAL LIFE STYLE LIMITED (THE “COMPANY”) AND IT’S SHAREHOLDERS

I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as the “Act”)

1. *Special tax benefits available to the Company under the Act*

N.A.

2. *Special tax benefits available to the shareholders under the Act*

N.A.

Notes:

- a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c) The above statement of special tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23.
- d) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f) 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.

ANNEXURE 2

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO MITTAL LIFE STYLE LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively referred to as “indirect tax”)

1) *Special indirect tax benefits available to the Company under the Act*

N.A.

2) *Special indirect tax benefits available to the shareholders under the Act*

N.A.

Notes:

- a) The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b) The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
- c) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- d) 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.

SECTION IV – ABOUT THE COMPANY

INDUSTRY

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. The information in this section must be read in conjunction with the sections titled “Risk Factors” and “Our Business” beginning on pages 20 and 66, respectively of this Letter of Offer.

Global Industry Outlook

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia’s invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022>)

Indian Economy Overview

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.

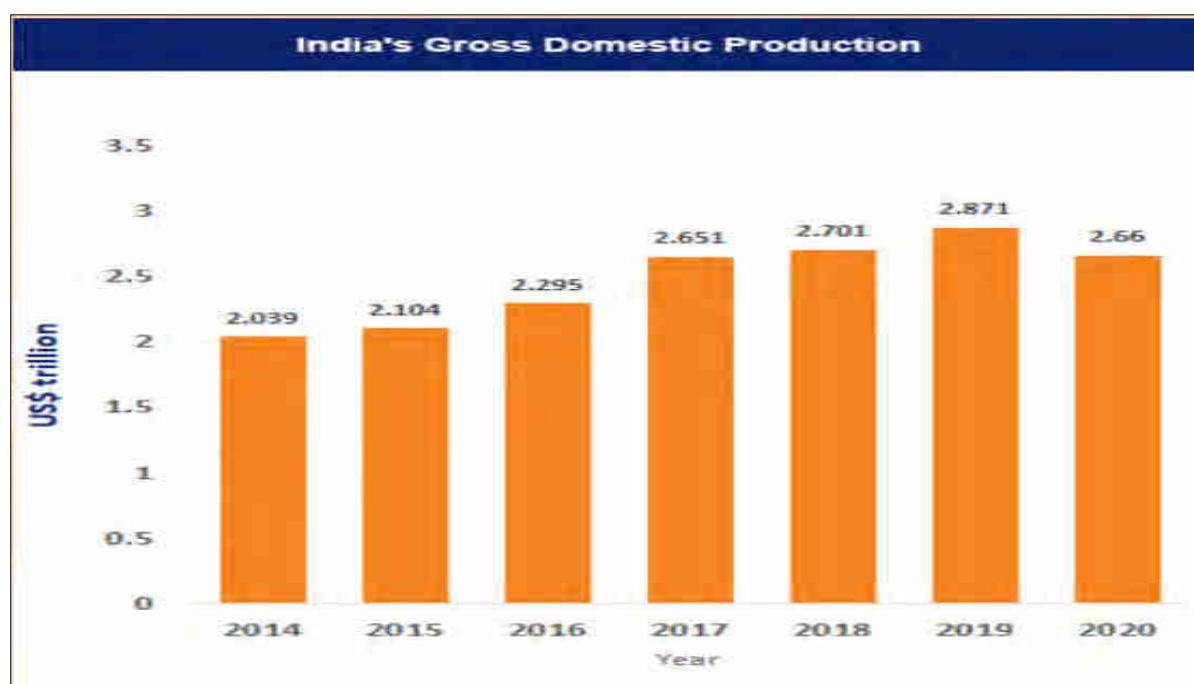
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Market Size

India’s nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.



Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022
- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$ 17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.

- In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- In FY 2022-23, (until October 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 58,762 crore (US\$ 7.13 billion).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

Road Ahead

- In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.
- India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.
- Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

Overview of Indian Textile and Apparel Industry

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.



Market Size

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers.

Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during the same period.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.



Investment and Key Development

- The industry (including dyed and printed) attracted foreign direct investment (FDI) worth US\$ 3.99 billion from April 2000-March 2022. The textiles sector has witnessed a spurt in investment during the last five years.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. and MBA courses in technical textiles.
- In November 2021, Federico Salas, the Mexican Ambassador to India, visited the Khadi India Pavilion at the India International Trade Fair 2021 and suggested that India and Mexico should come together to promote Khadi globally.
- Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0—an upgraded, patented end-to-end traceability technology—to track textile raw materials throughout the supply chain.
- Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.
- In October 2021, Welspun India collaborated with DuPont Biomaterials to introduce a home textile range and strengthen the company's sustainable textiles business.
- In May 2021, Indo Count Industries Ltd. (ICIL) announced an investment of Rs. 200 crore (US\$ 26.9 million) to expand its production capacity.
- In April 2021, RSWM Limited, flagship company of the US\$ 1.2 billion LNJ Bhilwara Group, was recognised for achieving the highest textile export turnover in 2020 by the Ministry of Industries & CSR, Government of Rajasthan.
- In April 2021, Bella Casa Fashion & Retail Ltd. (BCFRL) announced that it is expanding its two existing plants and adding one new facility to offer employment opportunities to 1,000 people. The expansion would involve a total investment of Rs. 65 crore (US\$ 8.63 million).

Government Initiatives

The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

Other initiatives taken by the Government of India are:

- In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.
- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.
- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.
- In May 2022, Minister of Micro, Small and Medium Enterprises, Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.
- In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and

the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.
- The Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US\$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22.
- The Government of India has earmarked a corpus of Rs. 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.
- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.
- Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for the Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for the National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the PLI Scheme.
- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.
- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.
- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).
- In October 2021, Minister for Commerce and Industry, Textiles, Consumer Affairs, Food & Public Distribution, Piyush Goyal, announced the creation of 100 textile machinery champions in the country, and to promote them in the global market. Through this, the government aims to make India a global player in textiles machinery.
- In October 2021, the Ministry of Textiles approved the continuation of the comprehensive handicrafts cluster development scheme with a total outlay of Rs. 160 crore (US\$ 21.39 million). Through this scheme, the government aims to support domestic SMEs and local artisans.

- In October 2021, the government introduced SAMARTH training at 75 training centers across the country, to accelerate the scheme's coverage among artisans.
- The government allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16-22 for the 'Amended Technology Up-gradation Fund Scheme' (A-TUFS), to boost the Indian textile industry and enable ease of doing business.

Road Ahead

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population and increasing demand by sectors like housing, hospitality, healthcare, etc.

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

(Source: <https://www.ibef.org/industry/textiles>)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” beginning on page 20, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 77 and 118, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Financial Statements on page 77 of this Letter of Offer.

OVERVIEW OF BUSINESS

Our Company was founded in year 2005 by Brijeshkumar Jagdishkumar Mittal, with a passion for denim, Mittal Lifestyle brings many years of experience and knowledge to the denim fabric market. We understand there are endless uses for this durable and versatile fabric. Given the history of denim, industry experts believe the material will continue to flourish for decades to come. Because denim is durable and versatile, it is continuously re-invented and adapted for new innovations not yet imagined.

We, at Mittal Lifestyle take pride in introducing ourselves as a reputed trading house, dealing in Denim and Bottom Fabrics. We are a prominent supplier of Fashion Fabrics, Cotton Canvas denims, Dupion bottom Fabrics, Polyester Fabrics, Cotton Fabric, knit fabrics etc. to textile industry.

Our Company have denim jeans manufacturing rights for brands **“GERICHO LONDON”**, **“MITTALIER LONDON”** and **“MCALLEN PARIS”**. Since 2020, our Company started selling the denim apparels under these brands through e-commerce platforms such as Flipkart, Snapdeal, Amazon, Glowroad, Limeroad, PayTM, Meesho, Shopclues, 2GUD.

In the year 2014, Pratik Brijeshkumar Mittal, joined his father and since then the business has grown exponentially thanks to a new generation of the Mittal family focusing on sourcing our own designs and fabric ranges from various mills and wider distribution in India. Our flexible and responsive trading operations gives us the ability to quickly respond to change in market demand by being able to get production of new designs and weaves in the shortest turnaround times at economical rates through various mills, giving our clients the unbeatable advantage of tapping into the market as the demand peaks.

Strategically located in Mumbai, Mittal Lifestyle positions its operations to make a stronger contribution to its long-term strategy of providing customers with innovative, market-driven and highly competitive denim fabrics ever since its foundation in 2005. We have one of the biggest stock-supported range of denim fabrics in India with over 100 regular sorts stocked.

We pride ourselves on:

- Price
- Friendly and efficient service
- The vast range of denim fabrics we offer
- A Stock Service second to none

At Mittal Lifestyle, we have always prided ourselves in giving great customer service which is second to none and offering denim fabrics at great value. We are traditionally minded in our business ways and believe strongly in supplying the customers with a product and service that will encourage loyalty and support. With exceptional customer support, quality products and reliable service we aim to resolve the unmet needs of our customers.

For providing different types and quality of denim fabric, our company has tied-up with about 16 Composite mills to get denim fabric manufactures as per our need and requirements. Some of our regular suppliers are Arvind Ltd, Oswal Industries Limited, Bhaskar Industries Private Limited, Jindal Denims, etc. The Company has also tie-up with 4 logistic companies to pick denim fabric from various mills and warehouse at their premises. Some of the logistics company with whom our Company has such tie up includes Arrow India logistics, New India Logistics, Vikas Freight Carriers, Shiv Krupa Transport Solution.

With our wide experience and market expertise, we have been able to gain goodwill of a large number of clients in Mumbai and Ulhasnagar district. Our Company has wide variety of customers from individuals, proprietors, firms to Private Limited Company.

- we welcome small orders of five yards and up
- we cater to the home sewer and cottage industry
- we stock regular, laundered and soft denim, ready to be used
- no extra processing required, just cut and sew
- we accept cash for counter sales.

To assure right quality of denim fabric is supplied to right customer, our company has also engaged third party to check quality of denim fabric by washing, bleaching, stitching, etc. Our objective has been to offer total customer satisfaction to the clients in terms of quality, price, and timely delivery.

We believe in

Reliability

We keep our commitments and set out to consistently give our best.

Quality

We maintain a high level of excellence in our products and our services.

Integrity

We uphold honesty and strong ethics in everything we do.

Commitment

We honour all our responsibilities and believe in finishing what we start, we do.

We work under the guidance of our Promoter and Managing Director, who have experience of more than three decades in the Denim industry and have been associated with our Company since its incorporation. They, along with the other Board of Directors have been instrumental in evolving our business operations, growth and future prospects.

Our revenues from operations for unaudited financial results limited review nine months period ended December 31, 2022 and for the financial year ended on March 31, 2022 and March 31, 2021 were ₹ 4,584.10 Lakhs, ₹ 5,181.69 Lakhs and ₹ 5,215.32 Lakhs respectively. Our EBITDA for unaudited financial results limited review nine months period ended December 31, 2022 and for the financial year ended on March 31, 2022 and March 31, 2021 were ₹ 41.17 Lakhs, ₹ 35.32 Lakhs and ₹ 84.55 Lakhs respectively. Our profit after tax for unaudited financial results limited review nine months period ended December 31, 2022 and for the financial year ended on March 31, 2022 and March 31, 2021 were ₹ 23.56 Lakhs ₹ 17.93 Lakhs and ₹ 26.14 Lakhs respectively. For further details, please refer to the section titled “**Financial Statements**” on page 77 of this Letter of Offer.

In the year 2018, our Company made its maiden public issue of 21,00,000 Equity Shares at issue price of ₹ 21/- per Equity Shares aggregating to ₹441.00 lakhs and consequently the Equity Shares were listed SME Emerge Platform of National Stock Exchange of India Limited. Further, on April 29, 2020, our Company equity shares migrated and start trading to the main board of NSE. The market capitalization (**full float**) of our Company as on December 30, 2022 was ₹ 1,695.06 lakhs (*Closing price of ₹11.35*) on NSE.

Source: <https://www.nseindia.com/get-quotes/equity?symbol=MITTAL>

OUR BUSINESS STRATEGY

➤ ***Further widening of our customer base***

With the growing opportunities available in the market, we will endeavour to continue to grow our business by adding new customers in existing and new geographical areas, new market segments. We aim to do this by effectively leveraging our marketing skills and relationships and focusing on total customer orientation.

➤ ***Reduction of operational costs and achieving efficiency***

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We try to take control over trading through effective purchase of denim fabric and supply it to small and premium customers.

➤ ***To build-up a professional organization***

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks, financial institutions, etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We wish to make it more sound and strong in times to come.

➤ ***Focus on cordial relationship with our Suppliers, Customer and employees***

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

➤ ***Optimal Utilization of Resources***

Our Company constantly endeavours to improve our sales process, skill up-gradation of sales personnel. We analyse our existing procurement policy to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

PRODUCT PORTFOLIO OF DENIM FABRICS

We have variety of products as follows:

Polyester Dobby 	Cotton Knits 	Satin Silky 4/1's 
Satin Silky 4/1's & Polyester Knits 	Polyester Shirting 20/150 	Cotton Satin Silky 4/1's 

White Ecrú and Cotton Dyed Fabrics



White Ecrú and Cotton Dyed Fabrics



PRODUCT PORTFOLIO OF DENIM APPARELS





BUSINESS FLOWCHART & PROCESS



- **Step 1:** Denim Manufacturer sends sample or yardage to our Company for approval of order.
- **Step 2:** Our Company outsource yardage or sample for testing to third party.
- **Step 3:** On receipt of testing results, if the sample or yardage meets the quality standards as required by customer, our Company approves the sample and place order with the manufacturer.
- **Step 4:** Manufacturer dispatch the final order directly to logistic companies and these companies store our products in their warehouse.
- **Step 5:** The samples of products received from the manufacturer are sent to customers for orders under MLSbrand.
- **Step 6:** Customer approves the sample and place order with our Company.
- **Step 7:** On receipt of order, material delivered to customer directly form the Warehouse.

REVENUE BREAK -UP

The revenue from operation breakup on the basis of financials are as under:

(₹ in Lakhs)

Sr. No	Particulars	For the period ended December 31, 2022		FY 2021-22		FY 2020-21	
		Amount	%	Amount	%	Amount	%
1	Trading of Fabric	4,584.10	100.00%	5,178.66	99.94%	5,168.37	99.10%
2	Online Sale (Apparels)	0.00	0.00%	3.03	0.06%	46.95	0.90%
Total		4,584.10	100.00%	5,181.69	100.00%	5,215.32	100.00%

For further details, please refer to the section titled “**Financial Statements**” beginning on page 77 of this Letter of Offer.

OUR MAJOR CUSTOMERS

The following is the revenue breakup of the top five and top ten customers of our Company for the period mentioned is as follows:

(₹ in Lakhs)

Particulars	For the period ended December 31, 2022		For the year ended March 31, 2022	
	Amount	Percentage (%)	Amount	Percentage (%)
Top 5	1,410.56	30.77%	2,102.56	40.58%
Top 10	1,838.31	40.10%	2,486.59	47.99%

UTILITIES, INFRASTRUCTURE & LOGISTICS

Power & Fuel

The requirement of power at our office is for lighting, air conditioning which is sourced from local power supplier.

Water

Water is required for human consumption and adequate water sources are available. The requirements are fully met at the existing premises.

Procurement of Material

We have tied up with about 16 composite mills which manufactures denim fabric. We procure denim fabric of highest quality from them depending upon demand from our customers, designs, fabric mix, streamlined processes, price factor and transportation costs and identifying better sources of supply.

Inventory Management

Our Company maintains the inventory at our warehouse located at Bhiwandi. We have outsourced our inventory management to third party namely Shiv Krupa Transport Solution who is also one of our logistics partner with proper stock assessment and monitoring with tabs kept on those inventory which are received and are dispatched.

Logistics

For providing different types and quality of denim fabric, our company has tied-up with about 16 Composite mills to get denim fabric manufactures as per our need and requirements. Some of our regular suppliers are Arvind Ltd, Oswal Industries Limited, Bhaskar Industries Private Limited, Jindal Denims etc. The Company has also tie-up with 4 logistic companies to pick denim fabric from various mills and warehouse at their premises. Some of the logistics company with whom our Company has such tie up includes Arrow India Logistics, New India Logistics, Visas Freight Carrier, and Shiv Krupp Transport Solution.

Information Technology

We use Tally Prime multiuser software for our accounting, inventory management of fabrics & apparels and other purpose.

Quality Control

We cannot assure that our products will always be of exactly same quality as required by our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality or any other unforeseen events could adversely affect our reputation and our operations which may adversely affect our business, result of operations and financial condition. However, we have the process of quality check before the denim fabric is dispatched by factories.

COLLABORATIONS

We have not entered into any technical or other collaboration.

MARKETING

The efficiency of the marketing and sales network is 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.

We sell our denim fabrics through our direct marketing network. We sell our products in Mumbai, and Ulhasnagar Districts. The fabric we sell to our customers are exclusively available with us because we provide the designs, fabric mix and colours as per the trends going in the market which helps us to have a competitive advantage over our competitors and demand better price from our customers.

For our branded apparels, we have tied-up with various e-commerce platforms like Flipkart, Snapdeal, Amazon, Glowroad, Limeroad, PayTM, Meesho, Shopclues, 2GUD.

Our marketing team along with our promoters through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the hiring network of our Company. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers. Our prime consideration for customer selection is timely payments and consistency in repeat orders.

COMPETITION

Much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for trading in denim fabrics from other traders in domestic market. Our competition varies for different regions. We compete with other denim fabric traders on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods;

product range, product quality and product price is often the deciding factor in most deals. We intend to continue competing vigorously to capture more market share and our growth in optimal way.

HUMAN RESOURCES

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have skilled and experienced personnel.

As at December 31, 2022, we have 11 employees including our directors and other staff, who look after our business operations, secretarial, sales, human resources and accounting functions in accordance with their respective designated goals.

Details of our employees are as follows:

Sr. No	Department	No. of Employees
1	Top Management and KMP	3
2	Company Secretary	1
3	Sales & Marketing	4
4	Accounts & HR	3
Total		11

OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

Our Board of Directors

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than three Directors and not more than fifteen Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Letter of Offer, our Board comprises 6 (Six) Directors, of which 1 (one) Director is Managing Director, 1 (one) Director is Executive Director, 1 (one) Director is Non-Executive Director, who is also the woman director and 3 (three) Directors are Independent Directors. The composition of our Board is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

Set forth below are details regarding our Board as on the date of this Letter of Offer:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Brijeshkumar Jagdishkumar Mittal DIN: 02161984 Date of Birth: June 25, 1959 Designation: Chairman and Managing Director Address: 602, Sky Deck CHS Limited, Oberoi Complex, Nr. Laxmi Indl, New Link Rd, Andheri (West), Mumbai – 400 053, Maharashtra, India. Occupation: Business Term: For a period of five (05) years w.e.f. October 02, 2022 Nationality: Indian	63	i. JK Denim Fab Private Limited; and ii. Denim Feb (Mumbai) Private Limited
Pratik Brijeshkumar Mittal DIN: 05188126 Date of Birth: July 14, 1989 Designation: Executive Director and Chief Financial Officer Address: 602, Sky Deck CHS Limited, Oberoi Complex, Nr. Laxmi Indl, New Link Rd, Andheri (West), Mumbai – 400 053, Maharashtra, India. Occupation: Business Term: Liable to retire by rotation Nationality: Indian	33	i. JK Denim Fab Private Limited; and ii. Denim Feb (Mumbai) Private Limited
Sudha Brijeshkumar Mittal DIN: 01353814 Date of Birth: November 19, 1961 Designation: Non-Executive Director	61	i. JK Denim Fab Private Limited; and ii. Denim Feb (Mumbai) Private Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Address: 602, Sky Deck CHS Limited, Oberoi Complex, Nr. Laxmi Indl, New Link Rd, Andheri (West), Mumbai – 400 053, Maharashtra, India. Occupation: Business Term: Liable to retire by rotation Nationality: Indian		
Prasun Muljibhai Modi DIN: 07336581 Date of Birth: March 4, 1961 Designation: Independent Director Address: B 5 Haridwar, Mathurdas Road, Kandivali (West), Mumbai 400 067, Maharashtra, India. Occupation: Business Term: For a period of five (05) years w.e.f. September 3, 2022 Nationality: Indian	61	i. Fristine Infotech Private Limited
Praful Jadavji Shah DIN: 07927339 Date of Birth: January 21, 1960 Designation: Independent Director Address: A-23, Venus CHS Limited, 100 Feet Road, Maitree Park, Near Angel Auto garage, Vasai (West), Thane 401 202, Maharashtra, India. Occupation: Business Term: For a period of five (05) years w.e.f. September 3, 2022 Nationality: Indian	63	Nil
Vishnu Banwarilal Sharma DIN: 08735262 Date of Birth: October 28, 1982 Designation: Independent Director Address: Room No 16, Navjivan Society, Singh Estate Road No 3, Near Thakur College, Samata Nagar, Kandivali (East), Mumbai – 400 101, Maharashtra, India.	40	Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Occupation: Professional Term: For a period of five (05) years w.e.f. April 19, 2020 Nationality: Indian		

Confirmations

1. None of our 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 Letter of Offer, during the term of his/ her directorship in such company.
2. Further, none of our 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 ten years from the date of this Letter of Offer.

Our Key Managerial Personnel

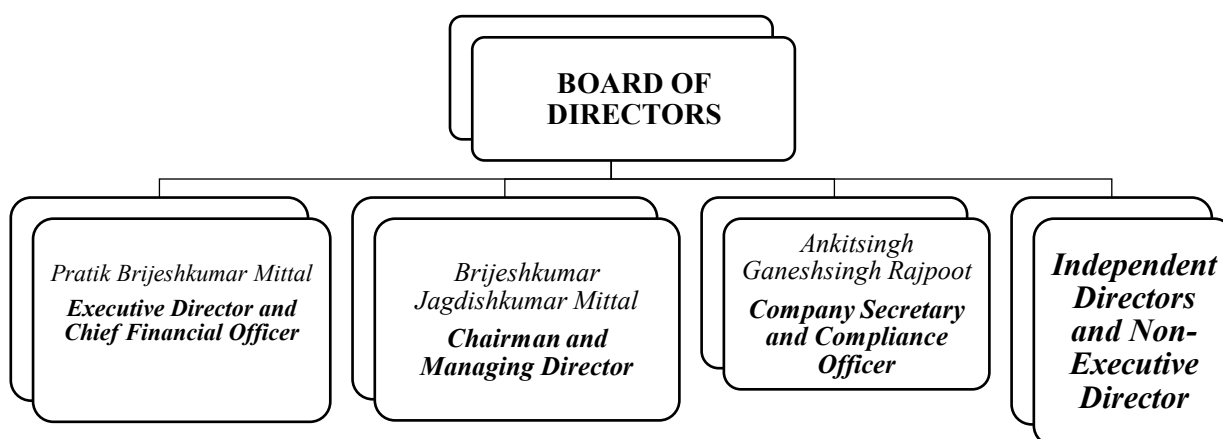
In addition to our Managing Director and Executive Director and Chief Financial Officer, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Letter of Offer:

Ankitsingh Ganeshsingh Rajpoot, aged 33 years, is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company with effect from August 6, 2022.

All our Key Managerial Personnel are permanent employees of our Company.

Management Organization Structure

Set forth is the organization structure of our Company:



SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Unaudited Limited Reviewed Financial Results for the nine months period ended December 31, 2022.	78
2.	Audited Financial Statements as at and for the year ended March 31, 2022.	80
3.	Accounting Ratios	115

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JAIN JAGAWAT KAMDAR & CO

CHARTERED ACCOUNTANTS


Limited Review Report on Quarterly Unaudited Financial Statements of Mittal Life Style Limited for the Quarter and Nine Months ended 31st December, 2022, pursuant to the Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Mittal Life Style Limited,
Ravi Kiran, Link Road,
Andheri West, Mumbai.

1. We have reviewed the accompanying statement of standalone unaudited Financial Results of Mittal Life Style Limited (the Company) for Quarter and Nine Months ended December 31, 2022 (the statement) attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in accounting standards for **Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS-34)**, prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these Unaudited Financial Statements based on our review.
3. We conducted our review in accordance with the **Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the independent Auditor of the entity"**, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain reasonable assurance as to whether the Unaudited Financial Results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results are prepared in accordance with applicable accounting standards within the meaning of Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounting Standards) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33, Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

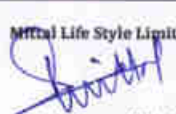
For Jain Jagawat Kamdar & Co
Chartered Accountants
Firm Regn. No. 122530W



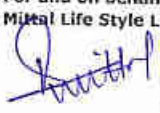






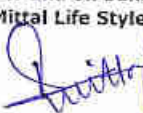




CA Chandra Shekhar Jagawat
Partner
Membership No: 116078
UDIN: 23116078BGQLAS2307

Date: January 13, 2023
Place: Mumbai

H.O.: Office no. 301-302, Poonam Pearl bldg., Opp. New India Colony, Juhu Lane, Andheri (w), Mumbai - 400 058
Phone (O): 022-26203021 * Email : jjk@jjkandco.com
Branch : Plot no 71, Samrat Township, Near Samrat School, Dumbhal Road, Surat (Gujrat) -395010
Branch : 70, Deepak Bhawan, Itwara Road, Bhopal (MP) - 462001
Branch: E6, Flat No. 902, Lake Town CHSL, Behind State Bank Nagar, Bibwewadi, Pune (MH) - 411037.
Branch: House No. 42, Upper Ground, Kiran Vihar, New Delhi-110092

MITTAL LIFE STYLE LIMITED						
CIN : L18101MH2005PLC155786						
Corporate Office:- Unit No-8/9,Ravi Kiran,Ground Floor, Near Monginis,New Link Road, Andheri(W),MUMBAI-400053						
Annexure 1 to Clause 33 of Listing Agreement						
Statement of Unaudited Standalone Financial Results for the Quarter & Nine months ended 31st December, 2022						
Particulars	Three month period ended			Nine month period ended		(Rs. in Lakhs)
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	Year Ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations						
(I) Revenue from Operations (Net of GST)	1,386.27	1,655.35	1,235.48	4,584.10	3,878.67	5,181.69
(II) Other Operating Income	-	-	(0.45)	-	0.02	-
(III) Total Revenue (net)	1,386.27	1,655.35	1,235.03	4,584.10	3,878.69	5,181.69
(IV) Expenses						
(a) Cost of Materials Consumed	-	-	-	-	-	-
(b) Purchase of stock-in-trade	1,342.47	1,451.89	926.70	4,591.60	3,443.10	4,768.94
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(19.99)	166.25	269.71	(151.65)	332.03	298.35
(d) Employee benefits expense	9.88	7.19	6.74	22.83	21.67	27.40
(e) Finance Cost	(0.06)	4.64	1.67	5.28	3.80	4.58
(f) Depreciation and amortisation expense	2.24	2.21	1.56	6.18	4.69	5.99
(g) Other expenses	35.13	28.19	14.58	95.92	44.96	51.68
Total Expenses	1,369.67	1,660.38	1,220.95	4,570.16	3,850.25	5,156.94
(V) Profit before exceptional and extraordinary items and tax (III - IV)	16.60	(5.03)	14.08	13.94	28.44	24.75
(VI) Exceptional Items - Other Income	-	-	-	-	-	-
(VII) Profit before extraordinary items and tax (V - VI)	16.60	(5.03)	14.08	13.94	28.44	24.75
(VIII) Extraordinary items	10.00	5.76	-	15.76	-	-
(IX) Profit before tax (VII- VIII)	26.60	0.73	14.08	29.70	28.44	24.75
(X) Tax expense:						
(1) Current Tax	6.70	0.18	3.54	7.40	7.16	6.23
(2) Deferred Tax	(2.14)	0.35	0.02	(1.33)	0.84	0.59
(3) Excess/Short Provision	-	-	-	-	-	-
(XI) Profit (Loss) for the period	22.05	0.20	10.52	23.56	20.44	17.93
Profit for the period attributable to:						
Shareholders of the Company	22.05	0.20	10.52	23.56	20.44	17.93
Non Controlling Interest	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME (OCI)						
Items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	22.05	0.20	10.52	23.56	20.44	17.93
Total comprehensive income for the period attributable to:-						
Shareholders of the Company	22.05	0.20	10.52	23.56	20.44	17.93
Non Controlling Interest	-	-	-	-	-	-
Net Profit / (Loss) after taxes, minority interest and share of profit / (loss)	22.05	0.20	10.52	23.56	20.44	17.93
Paid-up equity share capital (Face Value Rs. 10 per share)	1,493.44	1,493.44	1,292.44	1,493.44	1,292.44	1,493.44
Earnings Per Share (of 10/- each) (not annualised):						
(a) Basic	0.15	0.00	0.08	0.16	0.16	0.12
(b) Diluted	0.15	0.00	0.08	0.16	0.16	0.12
<p>a) These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.</p> <p>b) The aforesaid results were reviewed by the audit committee of the board and subsequently taken on record by the board of directors of the Company at their meeting held on 13th January, 2023. The review report of Statutory Auditor is being filed with National Stock Exchange and available of NSE website and Company website.</p> <p>c) The Company has only one reportable segment i.e. Trading of Fabric therefore disclosure requirement under Ind AS 108 - Segmental reporting are not applicable.</p> <p>d) The figures for the previous period have been regrouped wherever necessary.</p> <p>e) Capital Gains on sale of Mutual Funds & MTM Gain/Loss on Mutual Fund has been classified as extra-ordinary item in the financial result as above.</p> <p>f) No complaints has been received from investors during the quarter ended 31st December, 2022</p>						
Date: January 13, 2023 Place: Mumbai				Mittal Life Style Limited  Brijesh Kumar Mittal Managing Director DIN : 02161984		

MITTAL LIFE STYLE LIMITED			
CIN : L18101MH2005PLC155786			
Balance Sheet as at March 31, 2022			
(Amount in Rs `)			
Particulars		As at 31.03.2022	As at 31.03.2021
ASSETS			
1 Non current assets			
a Property, Plant and equipment	1	13,35,570	17,00,488
Total Non Current Assets		13,35,570	17,00,488
2 Current assets			
a Inventories	2	81,67,784	3,80,03,094
b Financial Asset			
(i) Investment	3	7,00,51,621	-
(ii) Trade receivable	4	10,61,44,975	21,52,91,813
(v) Cash & cash equivalent	5	23,53,575	23,28,764
c Current Tax Asset (Net)	6	4,18,787	4,78,134
d Other Current asset	7	76,33,524	78,98,334
Total Current Assets		19,47,70,265	26,40,00,140
		19,61,05,835	26,57,00,628
EQUITY AND LIABILITIES			
1 Equity			
a Equity Share Capital	8	14,93,44,480	11,75,00,000
b Other Equity	9	1,08,40,771	1,91,48,733
Total Equity		16,01,85,251	13,66,48,733
2 Liabilities			
Non-current liabilities			
a Financial Liabilities			
(i) Borrowings	10	1	1
Total Non-Current Liability		1	1
Current Liability			
a Financial Liabilities:			
(i) Borrowings	11	75,37,490	6,56,49,749
(ii) Trade Payables	12	2,12,50,910	5,65,33,300
b Other Current liability	13	4,87,807	8,47,301
c Short term provision	14	66,44,376	60,21,544
Total Current Liabilities		3,59,20,583	12,90,51,894
TOTAL		19,61,05,835	26,57,00,628
Significant Accounting Policies and Notes to Accounts	I & II		
As per our report of even date			
For Jain Jagawat Kamdar & Co Chartered Accountants Firm Registration No. 122530W  CA Chandrashekhhar Jagawat Partner Membership No. 116078 		For and on behalf of the Board of Mittal Life Style Limited  Brijeshkumar Mittal Managing Director DIN : 02161984   Pratik Mittal Director & CFO DIN : 05188126  Jalpa Purohit Company Secretary M No. A50429	
Place : Mumbai Date : May 25th, 2022			

MITTAL LIFE STYLE LIMITED			
CIN : L18101MH2005PLC155786			
Statement of Profit & Loss for the year ended March 31, 2022			
(Amount in Rs`)			
Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from Operations	15	51,81,68,957	52,15,32,198
Other Income	16	72,95,618	1,06,62,304
		52,54,64,575	53,21,94,502
Expenditure			
Operating Expenses	17	48,41,89,758	50,40,05,259
Changes in Inventories	18	2,98,35,311	1,21,25,889
Employee Benefits	19	27,39,759	32,05,310
Finance Costs	20	4,58,498	42,85,446
Depreciation and Amortization Expenses	1	5,98,741	8,40,067
Other Expenses	21	51,67,811	44,02,784
		52,29,89,877	52,88,64,754
Profit /(Loss) before Prior Period/Exceptional Items		24,74,698	33,29,748
Profit /(Loss) before Tax		24,74,698	33,29,748
Less: Short/Excess Provision for Tax			
Less: Deferred Tax		59,348	(16,670)
Less: Income Tax		6,22,832	7,32,544
Profit /(Loss) after Tax		17,92,518	26,13,873
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
Total Other Comprehensive Income		-	-
Total Comprehensive Income		17,92,518	26,13,873
Significant Accounting Policies and Notes to Accounts	I & II		
As per our report of even date			
For Jain Jagawat Kamdar & Co Chartered Accountants Firm Registration No. 122530W		For and on behalf of the Board of Mittal Life Style Limited	
 CA Chandrashekhar Jagawat Partner Membership No. 116078		 Brijeshkumar Mittal Managing Director DIN : 02161984	
		 Pratik Mittal Director & CFO DIN : 05188126	
Place : Mumbai Date : May 25th, 2022		 Jalpa Purohit Company Secretary M No. A50429	

MITTAL LIFE STYLE LIMITED
CIN : L18101MH2005PLC155786

Cash Flow Statement for the year ended 31st March, 2022

Particulars	(Amount in Rs`)		(Amount in Rs`)	
	As at March 31, 2022		As at March 31, 2021	
Cash Flow From Operating Activities:				
Net Profit / (Loss) Before Tax		24,74,698		33,29,748
<u>Adjustment for:</u>				
Depreciation	5,48,904		7,90,231	
Excess Provisions of previous year	-		72,684	
Finance Cost	4,58,498		42,85,446	
Short Term Capital gains on Sale of Mutual Funds	-51,621			
Prior Period Items	-	9,55,781	-	51,48,361
Operating Profit / (Loss) before working Capital Changes		34,30,479		84,78,108
<u>Adjustment for:</u>				
Changes in Inventories	2,98,35,310		1,21,25,889	
Changes in Other Current Assets	2,64,811		-21,71,272	
Changes in Trade and Other Receivables	10,91,46,839		3,90,37,995	
Changes in Trade payable and Short Term Borrowings	-9,33,94,649		-5,25,22,676	
Changes in Other Current Liabilities	-3,59,494		-2,37,218	
		4,54,92,817		-37,67,283
Cash Generated From Operation:		4,89,23,295		47,10,825
Direct tax paid		-		0
Net Cash From Operating Activities before exceptional items		4,89,23,295		47,10,825
Exceptional Items		-		-
Net Cash From Operating Activities:		4,89,23,295		47,10,825
Cash flow from Investing Activities:				
Purchase of fixed assets	-1,83,989		-3,15,243	
Purchase of Mutual Funds	-7,25,00,000			
Sale of Mutual Funds	24,48,379			
Gain on Sale of Mutual Funds	51,621			
		-7,01,83,988		
Net Cash from/ (used in) Investing Activities		-7,01,83,988		-3,15,243
Cash flow from Financing Activities:				
Issued of Equity Shares	2,01,00,000			
Share Premium Net of issue Expenses	16,44,000			
Other Financial Liability	-			
Finance Cost	-4,58,498	2,12,85,502	-42,85,446	
Net cash used in Financing activities (C)		2,12,85,502		-42,85,446
Net Increase In cash & Cash equivalents (A+B+C)		24,810		1,10,136
Cash & Cash equivalents-Opening Balances		23,28,764		22,18,628
Balance Cash & Cash equivalents-Closing Balances		23,53,575		23,28,764

As per our report of even date

For Jain Jagawat Kamdar & Co
Chartered Accountants
Firm Registration No. 122530W

Chandrashekhar Jagawat

CA Chandrashekhar Jagawat
Partner
Membership No. 116078



For and on behalf of the Board of
Mittal Life Style Limited.

Brijesh Kumar Mittal
Brijesh Kumar Mittal
Managing Director
DIN : 02161984



Pratik Mittal
Pratik Mittal
Director & CFO
DIN : 05188126

Jaipal Purohit
Jaipal Purohit
Company Secretary
M No. A50429

Place : Mumbai
Date : May 25th, 2022

MITAL LIFESTYLE LIMITED

1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS

(I) Reporting entity:

Mittal Lifestyle Limited (the 'Company') was incorporated on 31 August, 2005 as Private Limited Company under the Companies Act 1956 and the same was converted in Public Limited Company on 22 November, 2017. The company is engaged mainly in supply of Bottom weight Fabrics & Denims. The company has tied-up with about 16 Composite mills to get denim fabric manufactures as per its need and requirements. The Company is listed on Main Platform of National Stock Exchange (NSE) .

(II) Basis of Preparation:

(A) Statement of Compliance

These financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (The Act)[Companies (Indian Accounting Standards) Rules, 2015 & Companies (Indian Accounting Standards) Amendment Rules, 2016] and other applicable provisions of the Act as amended and the Guidance note issued by ICAI. These are the Company's first Ind AS financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards', has been applied.

For all the periods upto and including March 31, 2020, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956.

Annexures I, II, III, IV explains how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The above Accounts have been prepared on going concern basis as the management is confident of meeting its obligation based on profit made by the Company in the Current Year and the Previous year.

(B) Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following financial assets and financial liabilities which are measured at fair value;

- Certain financial assets and liabilities measured at fair value.

The methods used to measure fair values are as follows:

- FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the following three levels prescribed under Ind AS-113 "Fair Value Measurements"



Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price. The fair value of all equity instruments including bonds which are traded in the recognised Stock Exchange and money markets are valued using the closing prices as at the reporting date.

Level 2:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This includes security deposits / retention money and loans at below market rates of interest.

(C) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

(D) Use of estimates and management judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures including contingent assets and liabilities at the Balance Sheet date. The estimates and management's judgements are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

(III) SIGNIFICANT ACCOUNTING POLICIES :

A summary of the significant accounting policies applied in the preparation of financial statements as given below have been applied consistently to all periods presented in the financial statements.

1 Property, Plant and Equipment (PPE)

Property, Plant and Equipment up to March 31, 2019 were carried in the Balance Sheet in accordance with Indian GAAP.

- a) The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2019).
- b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost as estimated by management wherever required.
- d) After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.



- c) Spares parts (procured along with the Plant & Machinery or subsequently) which meet the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are treated as "stores & spares" forming part of the inventory.

2 Investments in subsidiaries and joint ventures

Investments in equity shares of subsidiaries and joint ventures are carried at cost, if any,

3 Financial assets other than investment in subsidiaries and joint ventures

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under conditions that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument.

Financial assets of the Company comprise Cash and Cash Equivalents, Bank Balances, Investments in equity shares of companies other than in subsidiaries & joint ventures, Trade Receivables, Advances to employees/ contractors, security deposit, claims recoverable etc.

a) Classification

The Company classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income (FVTOCI)

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

b) Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

The Company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

c) Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.



After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at Fair Value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at FVTOCI if both the following criteria are met:

- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent SPPL.

Debt instruments at fair value through Other Comprehensive Income are measured at each reporting date at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest income from these financial assets is included in other income using the EIR method.

Equity investments

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading, if any, are classified at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Company classifies the same as at FVTOCI. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes on an equity instrument classified at FVTOCI, are recognized in the OCI. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the company's right to receive payments is established.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in the Statement of Profit and Loss.

d) Derecognition

A financial asset is derecognised only when:

- i) The Company has transferred the rights to receive cash flows from the financial asset, or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.



Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

e) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- i) Financial assets that are debt instruments, and are measured at amortised cost.
- ii) Financial assets that are debt instruments and are measured as at FVTOCI
- iii) Contract Assets under Ind AS 11, Construction Contracts
- iv) Lease Receivables under Ind AS 17, Leases.
- v) Trade Receivables under Ind AS 18, Revenue.

The Company follows 'simplified approach' permitted under Ind AS 109, "Financial Instruments" for recognition of impairment loss allowance on contract assets, lease receivables and trade receivables resulting from transactions within the scope of Ind AS 11, Ind AS 17 and Ind AS 18, which requires expected life time losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets, the Company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. The amount of expected credit loss (or reversal) for the period is recognized as expense/income in the Statement of Profit and Loss.

5 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognised as change in equity in the period in which they are approved by the Company's shareholders and the Board of Directors respectively.

6 Financial liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

The Company's financial liabilities include loans & borrowings, trade and other payables.

a) Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable and subsequently measured at amortised cost. Financial liabilities are classified as subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, over the period of the borrowings using the effective rate of interest.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.



b) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision net of any reimbursement is presented in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion.

a)

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b)

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of management/ independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

c)

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

d)

Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.



8 Employee Benefit

1. Short Term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed or included in the carrying amount of an asset if another standard permits such inclusion as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term performance related cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trusts and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Employees Defined Contribution Superannuation Scheme (EDCSS) for providing pension benefits and contribution to Social Security Scheme are accounted as defined contribution plan.

3. Defined Benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme, Retired Employees Health Scheme (REHS), Provident Fund Scheme, Allowance on Retirement/Death and Memento on Superannuation to employees are in the nature of defined benefit plans.

The liability or asset recognised in the Balance Sheet in respect of Gratuity, Retired Employees Health Scheme and Provident Fund Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss or included in the carrying amount of an asset if another standard permits such inclusion.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

4. other Long Term employee benefit

Benefits under the Company's leave encashment scheme constitute other long term employee benefits.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the Projected Unit Credit Method. Contributions to the scheme and actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

5. Termination benefit

The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to the Statement of Profit and Loss in the year of incurrence of such expenses



9 Revenue Recognition and Other Income

- a) Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Ind AS 115 five step model is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

- b)
- Step 1: Identify the contract with the customer
 - Step 2: Identify the performance obligations in the contract
 - Step 3: Determine the transaction price
 - Step 4: Allocate the transaction price to the performance obligations
 - Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.
- c)
- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.
 - Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

- d) Revenue from related party is recognised based on transaction price which is at arm's length.
- e) The company recognizes Project cost in the Profit and Loss Account in respect of sales of flats on progress of construction based on technical certificate for which revenue is recognized as stated in to note 2 above.
- f) Dividend income is recognized when right to receive the same is established.
- g) Interest/Surcharge recoverable from customers and liquidated damages /interest on advances to contractors is recognised when no significant uncertainty as to measurability and collectability exists

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

h)



10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying tangible assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying tangible assets for their intended use are complete.

11 Depreciation & Amortisation

a) Depreciation on additions to /deductions from Property, Plant & Equipment (PPE) during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.

b) Depreciation in respect of items of PPE is charged on Written Down Method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013

12 Impairment of non-financial assets other than inventories

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

13 Income Taxes

Income tax expense comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is also recognised directly in equity or in other comprehensive income.

a) Current tax

i) The current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws applicable at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences).

ii) Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

b) Deferred tax

i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.



ii) The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

iii) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would flow in the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

iv) Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

v) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

vi) Deferred tax recovery adjustment account is credited/ debited to the extent the deferred tax for the current period which forms part of current tax in the subsequent periods and affects the computation of return on equity (ROE), a component of tariff.

14 Segment Reporting

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.

- b) Dealing in supply of Bottom weight Fabrics & Denims is the principal business activity of the Company.

15 Statement of Cash Flows

a) Cash and Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

- b) Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7- 'Statement of Cash Flows'.



15 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

a) An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

16 Inventories :-

Inventories is valued at lower of cost or net realisable value.



MITTAL LIFE STYLE LIMITED

II. Notes to Financial Statements for the year ended March 31, 2022

1 Property, Plant and Equipment:

(Amount in Rs)

Particulars	31st March 2022	31st March 2021
Fixed Assets (net) (refer Note No.1A)	13,35,570	17,00,488
Total	13,35,570	17,00,488

2 Inventories

Particulars	31st March 2022	31st March 2021
Finished Goods	81,67,784	3,80,03,094
Total	81,67,784	3,80,03,094

3 Financial Asset -Current Investment

Particulars	31st March 2022	31st March 2021
Financial Asset		
Investment in Mutual Funds		-
Motilal Oswal Mutual Funds	4,25,00,000	
Tata Mutual Funds	2,75,51,621	
Total	7,00,51,621	-

4 Trade Receivable

Particulars	31st March 2022	31st March 2021
Lease Debtor (Considered Good)		
1. Less than six months	5,59,62,902	15,29,64,913
2. More than six months	5,01,82,073	6,23,26,900
Total	10,61,44,975	21,52,91,813

Trade Receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,59,62,902	1,03,04,003	1,73,70,347	1,04,87,577	11,11,773	9,52,36,602
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	1,09,08,373	-	-	-	1,09,08,373

Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	15,29,64,913	1,28,44,089	4,67,28,191	26,25,507	1,20,113	21,52,91,813
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-

5 Cash and Cash Equivalent:

Particulars	31st March 2022	31st March 2021
Cash on Hand	23,50,020	23,28,764
Balances with Banks	3,555	-
Total	23,53,575	23,28,764

6 Deferred Tax Assets (net)

Particulars	31st March 2022	31st March 2021
Deferred Tax (Refer Working 10.1)	4,18,787	4,78,134
Total	4,18,787	4,78,134



7 Other Current Assets

Particulars	31st March 2022	31st March 2021
TDS Receivables	20,826	3,598
TCS Credit	3,57,053	2,90,034
GST Credit	1,85,083	9,38,066
Advance Tax	70,30,070	65,00,000
Deferred ROC Expenses	40,492	90,328
Prepaid Expenses	-	76,309
Total	76,33,524	78,98,334

8 Equity Share Capital:

Particulars	31st March 2022	31st March 2021
Authorised 15,000,000 Equity Shares of ₹ 10/- each (1,50,00,000)	15,00,00,000	12,00,00,000
	15,00,00,000	12,00,00,000
Issued, Subscribed & Paid up Capital 1,49,34,448 (March 2021 : 1,17,50,000) Equity shares of Rs. 10 each fully paid-up	14,93,44,480	11,75,00,000
Total	14,93,44,480	11,75,00,000

8.1 The details of Shareholders holding more than 5% shares including associates:-

Name of Shareholders	As at 31st March 2022		As at 31st March 2021	
	No of Shares	% held	No of Shares	% held
Brijesh Kumar Mittal	---	---	---	---
Brijesh Kumar Mittal (H.U.F)	15,03,584	10.07%	7,93,169	6.75%
J.K Denim Fab Private Limited.	30,00,000	20.09%	24,00,000	20.43%
Choice Equity Broking Private	20,97,998	14.05%	---	---
Denim Feb (Mumbai) Private Limited.	15,00,534	10.05%	12,38,667	10.54%

8.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March 2022	As at 31st March 2021
No. Equity Shares of Face Value of ₹ 10 Each (P Year ₹ 10/-) at the beginning of the year:	1,17,50,000	1,17,50,000
Amount of paid up Capital At the beginning of the Year	11,75,00,000	11,75,00,000
No. Equity Shares of Face Value of ₹ 10 Each at the Close of the Year	1,49,34,448	1,17,50,000
Amount of paid up Capital at the end of the Year	14,93,44,480	11,75,00,000

Rights attaches to equity shares:-

There are no Shares with differential rights.

The company has only one class of equity shares having par value of ₹ 10 per share. each holder of equity shares entitled for one vote per share. The dividend proposed by board of directors in general meeting is paid in Indian rupees. In the event of liquidation of companies, the holder of equity shares will be entitled to receive assets of company after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the share holders.

9 Other Equity (Reserve and Surplus):

Particulars	31st March 2022	31st March 2021
Opening balance	1,91,48,733	1,91,48,733
ADD : Current year Profit	17,92,518	
ADD : Share premium	20,10,000	
LESS : Share Issue Expenses	(3,66,000)	
LESS : Bonus Issued	(1,17,44,480)	
Total	1,08,40,771	1,91,48,733



10 Long Term Borrowings:

Particulars	31st March 2022	31st March 2021
Terms loans		
Shri Ganesh Ji Maharaj	1	1
Total	1	1

11 Short term Borrowings:

Particulars	31st March 2022	31st March 2021
Financial Liabilities		
Inter Corporate Loans	-	-
From Bank (Working Capital)	75,37,490	6,55,80,374
From Related Parties (Directors)	-	69,375
Total	75,37,490	6,56,49,749

11.2 Terms of Working Capital

Working Capital Loans are secured against the Hypothecation of Inventories and Receivables.

Collateral Securities provided by the company against the Working Capital Loans are as follows:

1. Mortgage of the Shop No: 8 situated at Ground floor, Ravi Kiran Estate, New Link Road, Andheri West, Mumbai.
2. Mortgage of the Shop No: 9 situated at Ground Floor, Ravi Kiran Estate, New Link Road, Andheri West, Mumbai.
3. Mortgage of the Room No: 1058 situated at Ground Floor, Oshiwara Gokul Co-op Housing Society, Adarsh Nagar, Jogeswari West, Mumbai.

Personal Guarantee of:

1. Mr Brijesh Mittal
2. Mrs Sudha Brijesh Mittal
3. Mr Pratik Brijesh Mittal

12 Trade Payables:

Particulars	31st March 2022	31st March 2021
Others	2,12,50,910	5,65,33,300
Total	2,12,50,910	5,65,33,300

Trade Payables ageing schedule: As at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,12,50,910.00	-	-	-	2,12,50,910.00
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	5,65,33,300.00	-	-	-	5,65,33,300.00
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

13 Other Current Liabilities:

Particulars	31st March 2022	31st March 2021
TDS payable	66,736	26,151
TCS payable	5,200	-
Other payables	4,15,871	8,21,150
Total	4,87,807	8,47,301

14 Short-term Provisions:

Particulars	31st March 2022	31st March 2021
Provision for taxation	66,44,376	60,21,544
Total	66,44,376	60,21,544



Mittal Lifestyle Limited

Note 1
FINED ASSETS SCHEDULE AS ON 31.03.2022

Depreciation As Per Companies Act.

(Amount in Rs.)

NAME OF THE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01/04/2021	ADDITION	(DEDUCTIONS)	AS ON 31/03/2022	FOR THE YEAR	AS ON 31/03/2022	AS ON 31/03/2022	AS ON 31/03/2021	
Plant and Machinery	8,71,220	74,842	-	9,46,062	66,790	-	1,14,755	1,06,703	
Furniture and Fixtures	2,64,234	30,636	-	2,94,870	16,801	-	60,946	47,111	
Motor Car	81,78,577	-	-	81,78,577	4,00,563	-	72,93,002	12,86,138	
Computer	8,67,564	78,511	-	9,46,075	64,750	-	2,74,295	2,60,534	
Total	1,01,81,595	1,83,989	-	1,03,65,584	5,48,905	-	13,35,570	17,00,486	
Previous Year	98,66,352	3,15,243	-	1,01,81,595	7,90,231	-	84,81,107	17,00,488	

NAME OF THE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01/04/2020	ADDITION	(DEDUCTIONS)	AS ON 31/03/2021	FOR THE YEAR	AS ON 31/03/2021	AS ON 31/03/2021	AS ON 31/03/2020	
Plant and Machinery	8,71,220	-	-	8,71,220	87,115	-	7,64,518	1,93,817	
Furniture and Fixtures	2,64,234	-	-	2,64,234	16,398	-	2,17,123	63,509	
Motor Car	80,58,577	1,20,000	-	81,78,577	5,72,204	-	68,92,437	17,38,344	
Computer	6,72,321	1,95,243	-	8,67,564	1,14,515	-	6,07,030	1,79,806	
Total	98,66,352	3,15,243	-	1,01,81,595	7,90,231	-	84,81,107	21,75,476	
Previous Year	95,94,151	2,72,201	-	98,66,352	10,10,397	-	76,96,876	21,75,476	



MITTAL LIFE STYLE LIMITED

Notes to Financial Statements for the year ended March 31, 2022

15 Revenue From Operations		(Amount in Rs)	
Particulars	For the year 2021-22	For the year 2020-21	
Sale of Goods	51,81,68,957	52,15,32,198	
Total	51,81,68,957	52,15,32,198	
16 Other Income			
Particulars	For the year 2021-22	For the year 2020-21	
Discount & Claims	72,42,172	1,06,62,304	
Interest Received	1,825	-	
Short Term Capital gains on sale of Mutual Fund	51,621	-	
Total	72,95,618	1,06,62,304	
17 Operating Expenses			
Particulars	For the year 2021-22	For the year 2020-21	
Purchase of Goods	48,05,34,913	49,71,44,795	
Direct Expenses			
Hamali Expenses	2,49,655	3,38,484	
Transport Expenses	34,05,190	62,78,820	
Stores and Spares Purchase	-	2,43,160	
Total	48,41,89,758	50,40,05,259	
18 Changes in Inventories :			
Particulars	For the year 2021-22	For the year 2020-21	
Closing Stock	81,67,784	3,80,03,094	
Less: Opening Stock	3,80,03,095	5,01,28,983	
Total	2,98,35,311	1,21,25,889	
19 Employee Benefits:			
Particulars	For the year 2021-22	For the year 2020-21	
Salaries and Allowances	27,32,892	30,61,810	
Staff Welfare & Other Benefits	6,867	1,43,500	
Total	27,39,759	32,05,310	
20 Finance Cost:			
Particulars	For the year 2021-22	For the year 2020-21	
Interest Expenses	1,06,618	33,16,893	
Other Financial Charges	3,51,880	9,68,553	
Total	4,58,498	42,85,446	
21 Depreciation:			
Particulars	For the year 2021-22	For the year 2020-21	
Depreciation & Amortization	5,98,741	8,40,067	
Total	5,98,741	8,40,067	



22 Other Expenses:

Particulars	For the year 2021-22	For the year 2020-21
<u>Sales & Distribution expenses</u>		
Brokerage & Commission	38,069	30,428
Advertising & Promotional Expenses	58,312	2,32,806
Packing, Handling & Delivering Charges	76,897	1,03,755
<u>Administration & Other Expenses</u>		
Office Expenses	8,99,342	5,78,177
Society Expenses	2,43,029	3,67,434
Telephone Expenses	23,545	34,613
Printing & Stationery Expenses	24,756	14,600
Electricity Expenses	1,45,779	1,22,855
Travelling Expenses	1,19,539	66,855
Legal & Professional Expenses	10,62,509	6,12,000
Insurance Expenses	6,44,317	4,81,523
Hotel Expenses & Entertainment Expenses	62,495	52,650
Sundry Expenses	739	3,15,493
Donation Expenses	50,000	22,750
Courier Expenses	31,127	96,695
ROC Fee	2,86,403	-
Rent Expenses	11,37,329	4,50,000
Directors Remunerations	-	6,00,000
Profession Tax	5,000	10,000
Audit fee	1,20,000	1,20,000
Stamp Duty	1,106	-
Repair & Maintenances	72,506	-
Membership Fees	50,000	-
Diwali Expenses	-	10,930
Late Filing Fees	15,144	78,836
Round Off	(132)	383
Total	51,67,811	44,02,784

22.1 PAYMENT TO AUDITOR AS:

	For the Year 2021-22	For the Year 2020-21
Statutory Audit Fees	1,20,000	1,20,000
Tax Audit Fees	-	-
Taxation Matters	-	-
Total	1,20,000	1,20,000



23 RELATED PARTY DISCLOSURES:

As per Accounting Standard 18, the disclosures of transactions with the related parties are as under:

List of related parties with whom transactions have taken place during the year:

A. Key Managerial Personnel:

1.	Mr. Brijesh Mittal	Managing Director
2.	Mr. Pratik Mittal	Director
3.	Mr. Praful Jadavji Shah	Director
4.	Mrs. Sudha Brijesh Mittal	Director
5.	Mr. Prasun Multibhai Modi	Director
5.	Mrs. Jalpa Purohit	Company Secretary

B. Relatives of Key Managerial Personnel:

1.	Mrs. Pallavi Pratik Mittal
2.	Mr. Brijesh Mittal HUF
3.	Mr. Pratik Mittal HUF

C. Enterprise having significant influence

1.	Denim Feb (Mumbai) Private Limited
2.	JK Denim Feb Private Limited

D. Enterprise over which Key Managerial Personnel are able to exercise significant influence

1.	Denim Feb (Mumbai) Private Limited
2.	JK Denim Feb Private Limited

The following transactions were carried out with the related parties in the ordinary course of business.

Nature of Transaction	Relationship	Amount 2021-22	Amount 2020-21
Loan taken			
Mr. Brijesh Kumar Mittal	Managing Director	1,78,20,000	4,33,49,000
Mr. Pratik Brijesh Mittal	Director	94,65,000	1,80,11,000
Mrs. Sudha Brijesh Mittal	Director	1,12,12,329	2,00,20,000
Pallavi Pratik Mittal	Relatives of Key Managerial Personnel	17,65,000	6,42,500
Pratik Mittal HUF	Relatives of Key Managerial Personnel	8,10,000	2,77,500
Denim Feb (Mumbai) Private Limited	Enterprise having significant influence	-	3,00,32,000
J.K. Denim Feb Private Limited	Enterprise having significant influence	1,68,75,000	1,76,30,000
Loan repaid			
Mr. Brijesh Kumar Mittal	Managing Director	1,78,20,000	4,31,64,000
Mr. Pratik Brijesh Mittal	Director	94,65,000	1,81,01,000
Mrs. Sudha Brijesh Mittal	Director	1,12,12,329	2,01,32,500
Pallavi Pratik Mittal	Relatives of Key Managerial Personnel	17,65,000	7,32,500
Pratik Mittal HUF	Relatives of Key Managerial Personnel	8,10,000	3,45,000
Denim Feb (Mumbai) Private Limited	Enterprise having significant influence	-	3,00,32,000
J.K. Denim Feb Private Limited	Enterprise having significant influence	1,68,75,000	1,76,23,000
Closing Balances - Loan			
Mr. Brijesh Kumar Mittal	Managing Director	-	-
Mr. Pratik Brijesh Mittal	Director	-	-
Mrs. Sudha Brijesh Mittal	Director	-	-
Pallavi Pratik Mittal	Relatives of Key Managerial Personnel	-	-
Pratik Mittal HUF	Relatives of Key Managerial Personnel	-	-
Denim Feb (Mumbai) Private Limited	Enterprise having significant influence	-	-
J.K. Denim Feb Private Limited	Enterprise having significant influence	-	-
Remuneration			
Mr. Brijesh Kumar Mittal	Director	-	3,00,000
Mr. Pratik Mittal	Director	-	3,00,000
Mrs. Jalpa Purohit	Company Secretary	2,82,500	2,37,500
Salary paid			
Pallavi Pratik Mittal	Relative of Director	-	6,42,500
Rent Paid			
Mrs. Sudha Brijesh Mittal	Rent	2,37,329	1,50,000
Mr. Pratik Brijesh Mittal (HUF)	Rent	9,00,000	3,00,000

24 Exceptional Item :-

No such events occurred during the FY 2021-22, which required management to classify the item as exceptional item.



25 Contingent Liabilities :

There are no contingent liabilities as on balance sheet date as per the management opinion.

Year	Amount	Outstanding amount

26 Balances of Debtors, Creditors, Loans and Advances and Deposits are subject to confirmations.

27 In the opinion of the Board, all the Current Assets and Loans and Advances are approximately of the value stated if they are realised in the ordinary course of Business, and the adequate provisions are made for all known liabilities including depreciation.

28 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished

29 Previous Years figures have been re-grouped / re-arranged wherever necessary.

30 In the opinion of the opinion of the management loan from Related parties are payable at value stated. The said loan are interest free and payable on demand.

31 EARNING PER SHARES

PARTICULARS	2021-22	2020-21
Net Profit after Tax as per Statement of Profit & Loss	17,92,518	26,13,873
Weighted No. of Equity Shares	1,49,34,448	1,17,50,000
Basic and Diluted Earnings Per Share Per Equity Share of ₹ 10/- Each	0.12	0.22

32 EARNINGS IN FOREIGN CURRENCIES

	2021-22	2020-21
	NIL	NIL

33 REMITTANCE IN FOREIGN CURRENCIES

	2021-22	2020-21
	NIL	NIL

34 SUMMARY OF SIGNIFICANT RATIOS

Particulars	Basis	FY 2021-22	FY 2020-21
Current Ratio	Current Assets/Current Liabilities	5.42	7.05
Debt Equity Ratio	Total Outside Liabilities/Shareholder's Equity	0.05	0.48
Debt Service Coverage Ratio	Net Operating Income/Debt Service	6.40	1.78
Return on Equity Ratio	Profit for the period/Avg. Shareholders Equity	0.01	0.02
Inventory Turnover Ratio	Cost of Goods sold/Average Inventory	62.93	13.58
Trade Receivables Turnover Ratio	Net Credit Sales/Average Trade Receivables	4.88	2.42
Trade Payables Turnover Ratio	Total Purchases/Average Trade Payables	22.61	8.79
Net Capital Turnover Ratio	Net Sales/Average Working Capital	3.31	3.94
Net Profit Ratio	Net Profit/Net Sales	0.34%	0.49%
Return on Capital employed	EBIT/Capital Employed	0.02	0.06

For Jain Jagawat Kamdar & Co
Chartered Accountants
Firm Registration No. 122530W

CA Chandrashekhar Jagawat
Partner
Membership No. 116078



Place : Mumbai
Date : May 25th, 2022

For and on behalf of the Board of
Mittal Life Style Limited

Brijeshkumar Mittal
Managing Director
DIN : 02161984

Pratik Mittal
Director & CFO
DIN : 05188126

Jalpa Purohit
Company Secretary
M No. A50429





INDEPENDENT AUDITOR'S REPORT

To the members of
MITTAL LIFE STYLE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Mittal Life Style Limited** (the "Company"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss (including other Comprehensive Income), and the statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022**, its *profit* and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

The company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors report thereon.

Our opinion on the standalone financial statements does not cover the other information and we



do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not found any such matters related to the audit of this standalone financial statement which are to be reported here.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider



quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone financial statement dealt with by this report is in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations which would impact its financial position which are not disclosed in the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There are no amounts, that are required to be transferred, to the Investor Education and Protection Fund by the Company
- iv.
- a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.



v. No Dividends has been declared by the company during the financial year

- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the company has paid managerial remuneration within the limit prescribed by section 197 for maximum permissible managerial remuneration provided to the directors of the company.

For Jain Jagawat Kamdar & Co
Chartered Accountants
Firm's Registration No: 122530W



CA Chandra Shekhar Jagawat
Partner
Membership No: 116078
UDIN: 22116078AJPHQC3501



Place: Mumbai
Date: May 25, 2022



"Annexure A" to the Independent Auditors' Report

Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2022, we report the following:

i.

(a)

(A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) the company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) The company does not hold any immovable property which is not held in the name of the company.

(d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.

ii.

(a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, the quarterly statement filed by the company with Bank are in agreement with the books of accounts.



- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.
- iv. The company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.
- vi. As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.
- vii.
 - (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.
 - (b) According to the information and explanations given to us, there are not any statutory dues referred in sub-clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.
- viii. In our opinion and according to the information and explanations given to us, there are no transaction which are not recorded in the books of account & have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
 - (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.



- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x.

- (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has made preferential allotment of shares during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with.

xi.

- (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year. Therefore, the provisions of Clause (xi) (a) of paragraph 3 of the order are not applicable to the Company
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. (c) As auditor, we did not receive any whistle- blower complaint during the year. Therefore, the provisions of Clause (xi) (b) of paragraph 3 of the order are not applicable to the Company

xii. The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

xiii. As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and



the details have been disclosed in the Standalone financial statements, etc., as required by the applicable Indian Accounting Standards. Identification of related parties were made and provided by the management of the company. (Refer Note no: 23 of Standalone Financial Statement)

- xiv. The company is a listed entity and covered by section 138 of the Companies Act, 2013. The company has duly complied the provisions of Clause (xiv) (a) and (b) of paragraph 3 of the order.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.
- xvi.
 - (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
 - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - (d) As per the information and explanations received, the group does not have any CIC as part of the group.
- xvii. The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- xviii. There has been no resignation of the previous statutory auditors during the year. Therefore, the provisions of Clause (xviii) of paragraph 3 of the order are not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. (Refer Note no: 34 of Standalone Financial Statement)



- xx. The provisions of Section 135 are not applicable to company during the current financial year therefore, the provisions of Clause (xx) (a) and (b) of paragraph 3 of the order are not applicable to the Company.
- xxi. The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For Jain Jagawat Kamdar & Co.
Chartered Accountants
FRN: 122530W

Sheldar

CA Chandra Shekhar Jagawat
Partner
Membership No 116078
UDIN: 22116078AJPHQC3501



Place: Mumbai
Date: May 25, 2022



"Annexure B" to the Independent Auditors' Report on the standalone financial statements of Mittal Life Style Limited

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Mittal Life Style Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Jain Jagawat Kamdar & Co.

Chartered Accountants

FRN: 122530W



CA Chandra Shekhar Jagawat
Partner

Membership No 116078

UDIN: 22116078AJPHQC3501

Place: Mumbai

Date: May 25, 2022



ACCOUNTING RATIOS

Unless context requires otherwise, the following tables present certain accounting and other ratios derived from the relevant Audited Financial Statements and unaudited financial results for the limited review nine months period ended December 31, 2022. For details see “**Financial Information**” on page 77 of this Letter of Offer.

(₹ in Lakhs unless otherwise specified)

Particulars	For nine months period ended December 31, 2022	For the year ended March 31	
		2022	2021
Basic and Diluted Earnings Per Share (Rs.)			
Basic Earnings Per Share (Basic EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	23.56	17.93	26.14
Weighted average number of Equity Shares outstanding.	1,49,34,448	1,36,12,804	1,17,50,000
Basic EPS in Rs.	0.16	0.13	0.22
Face value in Rs.	10.00	10.00	10.00
Diluted Earnings Per Share (Diluted EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	23.56	17.93	26.14
Weighted average number of Equity Shares considered for calculating Diluted EPS	1,49,34,448	1,36,12,804	1,17,50,000
Diluted EPS in Rs.	0.16	0.13	0.22
Face value in Rs.	10.00	10.00	10.00
Net Asset Value Per Equity Share (Rs.)			
Net Asset Value (Net-worth)	1,625.41	1,601.85	1,366.48
Number of equity shares outstanding at the end of the period/year	1,49,34,448	1,49,34,448	1,17,50,000
Number of adjusted equity shares outstanding at the end of the period /year	1,49,34,448	1,36,12,804	1,17,50,000
Net Assets Value per equity share (Rs.)	10.88	10.73	11.63
Return on Net worth			
Net Profit / (loss) after tax	23.56	17.93	26.14
Net worth	1625.41	1601.85	1366.48
Return on net worth	1.45%	1.12%	1.91%
EBITDA			
Profit / (loss) after tax (A)	23.56	17.93	26.14
Income tax expense (B)	6.15	6.82	7.16
Finance costs (C)	5.28	4.58	42.85
Depreciation and amortization expense (D)	6.18	5.99	8.40
EBITDA (A+B+C+D)	41.17	35.32	84.55

The ratios have been computed as per the following formulae:

(i) Basic and Diluted Earnings per Share

$$\frac{\text{Net Profit after tax for the year/period, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year/period}}$$

(ii) Net Assets Value (NAV)

$$\frac{\text{Net Asset Value at the end of the year/period}}{\text{Number of equity shares outstanding at the end of the year/period}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Net Profit after tax for the year/period, attributable to equity shareholders}}{\text{Net worth (excluding revaluation reserve) at the end of the year/period}}$$

Net-worth (excluding revaluation reserve), means the aggregate value of the paid-up share capital (including shares pending allotment) and securities premium account, after adding surplus in Statement of Profit and Loss.

(iv) EBITDA

Profit/(loss) after tax for the period adjusted for income tax, expense, finance costs, depreciation and amortization expense, as presented in the restated financial statement of profit and loss.

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer, to our knowledge, no circumstances have arisen since December 31, 2022, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our limited review unaudited financial results for the nine month period ended December 31, 2022 and December 31, 2021 and our audited financial statements as of and for the Fiscal 2022 and Fiscal 2021 included in this Letter of Offer. Our limited review unaudited financial results for the nine month period ended December 31, 2022 and December 31, 2021 and our audited financial statements for Fiscal 2022 and Fiscal 2021 are prepared in accordance with Ind AS. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements and Unaudited Financial Results of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward-Looking Statements" on pages 20 and 16, respectively.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the twelve (12) month period ended March 31 of that fiscal year. References to the "Company", "we", "us" and "our" in this chapter refer to Mittal Life Style Limited, as applicable in the relevant fiscal period, unless otherwise stated.

OVERVIEW OF OUR BUSINESS

Our Company was founded in year 2005 by Brijeshkumar Jagdishkumar Mittal, with a passion for denim, Mittal Lifestyle brings many years of experience and knowledge to the denim fabric market. We understand there are endless uses for this durable and versatile fabric. Given the history of denim, industry experts believe the material will continue to flourish for decades to come. Because denim is durable and versatile, it is continuously re-invented and adapted for new innovations not yet imagined.

We, at Mittal Lifestyle take pride in introducing ourselves as a reputed trading house, dealing in Denim and Bottom Fabrics. We are a prominent supplier of Fashion Fabrics, Cotton Canvas denims, Dupion bottom Fabrics, Polyester Fabrics, Cotton Fabric, knit fabrics etc. to textile industry.

Our Company have denim jeans manufacturing rights for brands **"GERICHO LONDON"**, **"MITTALIER LONDON"** and **"MCALLEN PARIS"**. Since 2020, our Company started selling the denim apparels under these brands through e-commerce platforms such as Flipkart, Snapdeal, Amazon, Glowroad, Limeroad, PayTM, Meesho, Shopclues, 2GUD.

In the year 2014, Pratik Brijeshkumar Mittal, joined his father and since then the business has grown exponentially thanks to a new generation of the Mittal family focusing on sourcing our own designs and fabric ranges from various mills and wider distribution in India. Our flexible and responsive trading operations gives us the ability to quickly respond to change in market demand by being able to get production of new designs and weaves in the shortest turnaround times at economical rates through various mills, giving our clients the unbeatable advantage of tapping into the market as the demand peaks.

Strategically located in Mumbai, Mittal Lifestyle positions its operations to make a stronger contribution to its long-term strategy of providing customers with innovative, market-driven and highly competitive denim fabrics ever since its foundation in 2005. We have one of the biggest stock-supported range of denim fabrics in India with over 100 regular sorts stocked.

Our revenues from operations for unaudited financial results limited review nine months period ended December 31, 2022 and for the financial year ended on March 31, 2022 and March 31, 2021 were ₹ 4,584.10 Lakhs, ₹ 5,181.69 Lakhs and ₹ 5,215.32 Lakhs respectively. Our EBITDA for unaudited financial results limited review nine months period ended December 31, 2022 and for the financial year ended on March 31, 2022 and March 31, 2021 were ₹ 41.17 Lakhs, ₹ 35.32 Lakhs and ₹ 84.55 Lakhs respectively. Our profit after tax for unaudited financial results limited review nine months period ended December 31, 2022 and for the financial year ended on March 31, 2022 and March 31, 2021 were ₹ 23.56 Lakhs ₹ 17.93 Lakhs and ₹ 26.14 Lakhs respectively. For further details, please refer to the section titled **"Financial Statements"** on page 77 of this Letter of Offer.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section entitled '*Risk Factors*' on page 20 of this Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations in Maharashtra;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the overall efficiency of our competitors;
- Our reliance on third party suppliers for our products;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with Promoters and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled "*Financial Information*" on page 77 of this Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter "*Financial Information*" on page 77 of this Letter of Offer, there has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The auditor has not given any reservation, qualification and adverse remarks on the financial statements of the Company. For details, see section titled "*Financial Information*" on page 77 of this Letter of Offer.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT REVENUE

The following descriptions set forth information with respect to the key components of the Standalone Financial Statements.

Total income

Our revenue comprises of:

Revenue from operations

Our revenue from operations is predominantly from trading of denim fabrics in domestic market and online sales of denim apparels.

Other Income

Other income comprises of discount and claims which we receive from sundry creditors for early payment.

Expenses

Our expenses primarily comprise of purchase of stock in-trade, Changes in Inventories, Employee Benefits, Finance Costs, Depreciation and Amortization Expenses, Other Expenses.

Purchase of Stock in Trade

Purchase of Stock in Trade comprises of purchase of goods domestically & direct expenses incurred in the process like transport expenses and hamali expenses.

Changes in Inventories

Changes in inventories includes increase/decrease in the goods for which our Company doing trading during the year/period.

Employee Benefits

Our employee benefit expense mainly consists of salaries & allowances and staff welfare & other benefits.

Finance Costs

Finance Costs comprises of bank interest paid for maintenance of CC account & bank charges are according to transactions

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses comprises of depreciation on tangible fixed assets.

Other Expenses

Other expenses comprise Sales & Distribution expenses includes brokerage & commission, advertising & promotional expenses, packing, handling & delivering charges and Administration & Other expenses includes office expenses, society expenses, telephone expenses, printing & stationary expenses, electricity & travelling expenses, legal and professional fees, insurance expenses, hotel & entertainment expenses, sundry expenses, donation, courier expenses, ROC fees, rent expenses, profession tax, audit fee, stamp duty, repair & maintenance, membership fees & late filing fees.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws.

Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted as at the relevant balance sheet date.

Results of our Operations

The following table sets forth, for the periods indicated, certain items from our audited financial statements and unaudited financial results for the limited review nine months period ended December 31, 2022, in each case also stated as a percentage of our total income:

(₹ in Lakhs)

Particulars	For the nine month ended December 31, 2022		For the nine month ended December 31, 2021		For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	Amount	(%)*	Amount	(%)*	Amount	(%)*	Amount	(%)*
Revenue								
Revenue from Operations	4,584.10	100.00%	3,878.67	100.00%	5,181.69	98.61%	5,215.32	98.00%
Other Incomes	0.00	0.00%	0.02	0.00%	72.96	1.39%	106.62	2.00%
Total Revenue	4,584.10	100.00%	3,878.69	100.00%	5,254.65	100.00%	5,321.95	100.00%
Expenses:								
Purchase of Stock in Trade	4,591.60	100.16%	3,443.10	88.77%	4,841.90	92.15%	5,040.05	94.70%
Changes in Inventories	(151.65)	(3.31)%	332.03	8.56%	298.35	5.68%	121.26	2.28%
Employee Benefit Expenses	22.83	0.50%	21.67	0.56%	27.40	0.52%	32.05	0.60%
Finance Costs	5.28	0.12%	3.80	0.10%	4.58	0.09%	42.85	0.81%
Depreciation & Amortization	6.18	0.13%	4.69	0.12%	5.99	0.11%	8.40	0.16%
Other Expenses	95.92	2.09%	44.96	1.16%	51.68	0.98%	44.03	0.83%
Total Expenses	4,570.16	99.70%	3,850.25	99.27%	5,229.90	99.53%	5,288.65	99.37%
Profit/(Loss) before extraordinary item and Tax	13.94	0.30%	28.44	0.73%	24.75	0.47%	33.30	0.63%
Extraordinary Items	15.76	0.34%	-	0.00%	-	0.00%	-	0.00%
Profit before Tax	29.70	0.65%	28.44	0.73%	24.75	0.47%	33.30	0.63%
Tax Expenses:								
(i) Current tax	7.48	0.16%	7.16	0.18%	6.23	0.12%	7.33	0.14%
(ii) Deferred Tax	(1.33)	(0.03)%	0.84	0.02%	0.59	0.01%	-0.17	0.00%
Profit/ (Loss) After Tax	23.56	0.51%	20.44	0.53%	17.93	0.34%	26.14	0.49%
Other Comprehensive Income								
a) Items that will not be reclassified to profit or loss	-	0.00%	-	0.00%	-	0.00%	-	0.00%
b) Income tax relating to items that will not be reclassified to profit or loss	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Comprehensive Income for the period	23.56	0.51%	20.44	0.53%	17.93	0.34%	26.14	0.49%

* (%) column represents percentage of total revenue.

Comparison of Historical Results of Operations

Fiscal 2022 compared to Fiscal 2021

Total Revenue

Our total revenue for Fiscal 2022 was ₹ 5,254.65 Lakhs as compared to ₹ 5,321.95 Lakhs for the Fiscal 2021, representing a decrease of 1.26%. The decrease in total revenue was primarily due to revenue from operations and other income.

Revenue from operations

Our revenue from operations for the Fiscal 2022 was ₹ 5,181.69 lakhs as compared to ₹ 5,215.32 lakhs for the Fiscal 2021, representing a decrease of 0.64%. This is primarily due to decrease in the general business operation of the company.

Other income

Our other income for the Fiscal 2022 was ₹ 72.96 lakhs as compared to ₹ 106.62 lakhs for the Fiscal 2021, representing a decrease of 31.57%. The decrease in other income was primarily due to decrease in discount & claims received from the creditors for early payments because of impact of Covid -19 there was decrease in general business operations.

Expenditure

Our total expenditure for the Fiscal 2022 was ₹ 5,229.90 lakhs as compared to ₹ 5,288.65 lakhs for the Fiscal 2021, representing a decrease of 1.11%, bifurcated in varied expenses as explained below.

Purchase of Stock in Trade

Purchase of Stock in Trade for the Fiscal 2022 was ₹ 4,841.90 Lakhs as compared to ₹ 5,040.05 Lakhs for the Fiscal 2021 representing a decrease of 3.93% due to decrease in purchase of goods and direct expenses such as transport and hamali expenses.

Changes in Inventories

Changes in Inventories expenses for the Fiscal 2022 was ₹ 298.35 Lakhs as compared to ₹ 121.26 Lakhs for the Fiscal 2021 representing an increase of 146.04%, primarily due to market demand supply scenario.

Employee benefits

Our employee benefit expenses for the Fiscal 2022 was ₹ 27.40 Lakhs as compared to ₹ 32.05 Lakhs for the Fiscal 2021, representing a decrease of 14.51%. This was due to decrease in salaries & allowances and staff welfare and other benefits.

Finance costs

Finance costs for the Fiscal 2022 was ₹ 4.58 Lakhs as compared to ₹ 42.85 Lakhs for the Fiscal 2021 representing a decrease of 89.31%. The decrease in finance cost is due to reduction in interest on loan payments on account less usage of cash credit availed from the bank and other financial charges.

Depreciation and amortization

Our depreciation and amortization expenses for the Fiscal 2022 was ₹ 5.99 Lakhs as compared to ₹ 8.40 Lakhs for the Fiscal 2021, representing a decrease of 28.69%.

Other expenses

Our other expenses for the Fiscal 2022 was ₹ 51.68 Lakhs as compared to ₹ 44.03 Lakhs for the Fiscal 2021, representing an increase of 17.37%. This increase pertains to increase in brokerage & commission, office expense,

printing & stationary expenses, electricity expense, travelling expense, legal & professional expenses, insurance expenses, ROC fees, Rent expenses, repair & maintenances, membership fees, hotel & entertainment expense.

Profit before Tax

The profit before tax for the Fiscal 2022 of ₹ 24.75 lakhs as compared to ₹ 33.30 lakhs for the Fiscal 2021, representing a decrease of 25.68%. The decrease in profit before tax is due to decrease in revenue from our operating business.

Taxation

Total tax expense for the Fiscal 2022 ₹ 6.82 lakhs as compared to ₹ 7.16 lakhs for the Fiscal 2021, representing a decrease of 4.75%. The decrease was due to decrease in current tax and impact of deferred tax.

Profit after Tax

As a result of the aforesaid, Our Company earned a profit for the year on a basis for the Fiscal 2022 of ₹ 17.93 lakhs as compared to ₹ 26.14 lakhs for the Fiscal 2021, representing a decrease of 31.41%. The decrease was due to decrease in revenue from our operating business because of Covid-19 impact.

COMPARISION OF NINE MONTH ENDED DECEMBER 31, 2022 WITH NINE MONTH ENDED DECEMBER 31, 2021

Total Revenue

Our total revenue for nine month ended December 31, 2022 was ₹ 4,584.10 lakhs as compared to ₹ 3,878.69 lakhs for nine month ended December 31, 2021, representing an increase of 18.19% which is bifurcated into revenue from operations and other income.

Revenue from operations

During the nine month ended on December 31, 2022, the revenue from operations of our company increased to ₹ 4,584.10 lakhs as against ₹ 3,878.67 lakhs in the nine month ended on December 31, 2021. This increase in revenue is mainly due to increase in sales of fabric trading business and online sales of apparels.

Other income

During the nine month ended on December 31, 2022, the revenue from other income decreased to ₹ Nil from as against ₹ 0.02 lakhs in the nine month ended on December 31, 2021. This is because there was no such discounts and claims received from creditors.

Expenditure

The total expenditure for the nine month ended on December 31, 2022 was increased to ₹ 4,570.16 lakhs from ₹ 3,850.25 lakhs in the nine month ended on December 31, 2021, representing 18.70% increase, owing to increase in purchase of stock in trade, employee benefits expenses, depreciation & amortization, finance cost and other expenses, which was offset decrease in changes in inventories.

Purchase of Stock in Trade

Operating expenses for nine month ended on December 31, 2022 was increased to ₹ 4591.60 lakhs from ₹ 3443.10 lakhs in nine month ended on December 31, 2021, representing 33.36% increase. This was majorly due to purchase of goods and direct expenses such as transport and hamali expenses in line with the increase in sales.

Changes in Inventories

Changes in inventories for the nine month ended on December 31, 2022 decreased to negative ₹ 151.65 lakhs from positive ₹ 332.03 lakhs for the nine month ended on December 31, 2021 representing an overall decrease of 145.67%, primarily due to market demand supply scenario.

Employee benefits

Our Company has incurred ₹ 22.83 lakhs of employee benefit expenses for nine month ended on December 31, 2022, as compared to ₹ 21.67 lakhs for nine month ended on December 31, 2021, reflecting an increase of 5.35%. This was mainly due to increase in salaries & allowances and staff welfare and other benefits.

Finance costs

Finance costs for the nine month ended on December 31, 2022 was ₹ 5.28 Lakhs as compared to ₹ 3.80 Lakhs for the nine month ended on December 31, 2021, representing an increase of 38.95%. The increase in finance cost is due to increase in interest payment towards use of cash credit availed from banks and other financial charges.

Depreciation and amortization

Depreciation and Amortisation expense for the nine month ended on December 31, 2022 stood at ₹ 6.18 lakhs as compared to ₹ 4.69 lakhs for the nine month ended on December 31, 2021, showing an increase of 31.77% in the normal course of business operations of the company.

Other expenses

Our other expenses for the nine month ended on December 31, 2022 was ₹ 95.92 Lakhs as compared to ₹ 44.96 Lakhs for the nine month ended on December 31, 2021, representing an increase of 113.35%. This increase pertains to brokerage & commission, office expense, printing & stationery expenses, electricity expense, travelling expense, legal & professional expenses, insurance expenses, rent expenses, repair & maintenances, and hotel & entertainment expense.

Profit before Tax

The profit before tax for the nine month ended on December 31, 2022 was ₹ 29.70 lakhs after adjusting the extraordinary item as compared to ₹ 28.44 lakhs for the nine month ended on December 31, 2021, representing an increase of 4.43%. The increase in profit before tax is due to increase in revenues from operating business.

Taxation

Total tax expense for the nine month ended on December 31, 2022, ₹ 6.15 lakhs as compared to ₹ 8.00 lakhs for the nine month ended on December 31, 2021, representing a decrease of 23.13%. The decrease was due to impact of deferred tax. Despite, the current tax was increased due to increase in revenues.

Profit/Loss after Tax

The profit after tax for the nine month ended on December 31, 2022 stood at ₹ 23.56 lakhs as compared to ₹ 20.44 lakhs for the nine month ended on December 31, 2021, showing an increase of ₹ 3.12 lakhs.

CASH FLOWS

The table below summaries our cash flows from our Audited Financial Information for the financial year ended March 31, 2022 and 2021:

<i>(₹ in lakhs)</i>		
Particulars	Fiscal 2022	Fiscal 2021
Net (loss) / profit before tax	24.75	33.30
Net cash from/(used in) operating activities	489.23	47.11
Net cash from/(used in) investing activities	(701.84)	(3.15)
Net cash from/(used in) financing activities	212.86	(42.85)
Net increase/ (decrease) in cash and cash equivalents	0.25	1.10
Cash and cash equivalents at the beginning of the year	23.29	22.19
Cash and cash equivalents at the end of the year	23.54	23.29

Operating Activities

Financial year 2021-22

Net cash used in operating activities was ₹ 489.23 lakhs for the financial year 2021-22. Our operating profit before working capital changes was ₹ 34.30 lakhs for the financial year 2021-22 which was primarily adjusted for decrease in trade receivables by ₹ 1,091.45 lakhs, inventories by ₹ 298.35 lakhs, trade payables & short term borrowings by ₹ 933.95 lakhs, other current assets by ₹ 2.65 lakhs, and other current liabilities by ₹ 3.59 lakhs.

Financial year 2020-21

Net cash generated from operating activities was ₹ 47.11 lakhs for the financial year 2020-21. Our operating profit before working capital changes was ₹ 84.78 lakhs for the financial year 2020-21 which was primarily adjusted for decrease in trade payables & short term borrowings by ₹ 525.23 lakhs, other current liabilities by ₹ 2.37 lakhs, inventories by ₹ 121.26 lakhs and trade receivables by ₹ 390.38 lakhs which was offset by increase in other current assets by ₹ 21.71 lakhs.

Investing Activities

Financial year 2021-22

Net cash used in investing activities was negative ₹ 701.84 lakhs for the financial year 2021-22. This was primarily on account of purchase of fixed assets of ₹ 1.84 lakhs and mutual funds of ₹ 725.00 lakhs which was offset by proceeds received from sale of mutual funds of ₹ 24.48 lakhs and gain on sale of mutual funds of ₹ 0.52 lakhs.

Financial year 2020-21

Net cash used in investing activities was negative ₹ 3.15 lakhs for the financial year 2020-21, primarily on account of purchase of purchase of fixed assets.

Financing Activities

Financial year 2021-22

Net cash generated from financing activities for the financial year 2021-22 was ₹ 212.86 lakhs. This was on account of issue of share of ₹ 201.00 lakhs along with Securities Premium of ₹ 16.44 lakhs. This was partially offset by finance cost paid of ₹ 4.58 lakhs to banks.

Financial year 2020-21

Net cash used in financing activities for the financial year 2020-21 was negative ₹ 42.85 lakhs. This was on account of finance cost paid to banks.

CASHFLOW FOR PERIOD ENDED DECEMBER 31, 2022 COMPARED WITH PERIOD ENDED DECEMBER 31, 2021.

(₹ in lakhs)

Particulars	Period ended December 31, 2022	Period ended December 31, 2021
Net (loss) / profit before tax	29.70	28.44
Net cash from/(used in) operating activities	45.13	481.42
Net cash from/(used in) investing activities	(39.93)	(476.01)
Net cash from/(used in) financing activities	(5.28)	(3.80)
Net increase/ (decrease) in cash and cash equivalents	(0.08)	1.62
Cash and cash equivalents at the beginning of the year	23.54	23.29
Cash and cash equivalents at the end of the year	23.46	24.91

There was a decrease in net cash generated from operating activities to ₹ 45.13 lakhs for the period ended December 31, 2022 from ₹ 481.42 lakhs for the period ended December 31, 2021. This decrease was primarily on account of increase in trade payables of ₹ 217.57 lakhs, increase in inventories for ₹ 185.32 lakhs. This increase was offset by decrease in short term borrowings of ₹ 19.58 lakhs, trade receivables of ₹ 42.14 lakhs other current assets of ₹ 51.40 lakhs and short term provisions and other current liabilities of ₹ 69.88 lakhs.

There was a negative net cashflow from investing activities to negative ₹ 39.93 lakhs for the period ended December 31, 2022 from negative ₹ 476.01 lakhs for the period ended December 31, 2021. This was due to investment in fixed assets of ₹ 95.69 lakhs which was offset by sale of mutual funds of ₹ 55.76 lakhs.

There was an increase in net cashflow from financing activities to negative ₹ 5.28 lakhs for the period ended December 31, 2022 from negative ₹ 3.80 lakhs for the period ended December 31, 2021. This increase was due to finance cost paid to bank of ₹ 1.48 lakhs more than the previous period.

Financial Indebtedness

Our total outstanding secured and unsecured borrowing from banks Directors and entities related to Promoters' of the company is bifurcated into following manner for the period mentioned below:

(₹ in Lakhs)

Category of Borrowings (Secured)	O/s as on December 31, 2022	O/s as on March 31, 2022	O/s as on March 31, 2021
Long Term Borrowings			
- Term Loans	0.00	0.00	0.00
- Other Non-Current liability	0.00	0.00	0.00
Short Term Borrowings	16.04	75.37	655.80
Total	16.04	75.37	655.80

(₹ in Lakhs)

Category of Borrowings (un-secured)	O/s as on December 31, 2022	O/s as on March 31, 2022	O/s as on March 31, 2021
Short Term Borrowings from Directors and entities related to promoters' of the Company.	216.99	0.00	0.69
Total	216.99	0.00	0.69

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to purchase and sale of products, remuneration, sitting fees, borrowings, deposits, rent, interest, etc. For further details of such related parties under Ind AS, refer chapter titled "Financial Information" beginning on page 77 of this Letter of Offer.

Contingent Liabilities

There are no contingent liabilities and commitments as on December 31, 2022, March 31, 2022 and March 31, 2021.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Capital Expenditure

Our capital expenditures are mainly related to the purchase of office equipments, furniture & fixtures, computer and motor car located in India. The primary source of financing for our capital expenditures has been cash generated from our operations and borrowings. For the Financial Year 2022 and the Financial Year 2021, we incurred capital expenditure of ₹ 1.84 lakhs and ₹ 3.15 lakhs respectively.

Qualitative Disclosure about Market Risk

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further, the Audit Committee has additional oversight in the area of financial risks and controls. For further details of such risk, refer chapter titled "Financial Information" beginning on page 77 of this Letter of Offer.

Reservations, qualifications and adverse remarks

There have been no reservations, qualifications and adverse remarks however there are some key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. The same has been addressed in chapter titled "*Financial Information*" beginning on page 77 of this Letter of Offer.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on pages 20 and 118, respectively, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "*Risk Factors*" on page 20 of this Letter of Offer.

Except as disclosed in this Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on pages 20 and 118, respectively, and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases or decrease in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase in revenue is by and large linked to increase in sales volumes and sales prices.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths like customer relationship management, active price negotiations and effective machine availability, we are able to stay competitive. For further details, kindly refer the chapter titled "*Our Business*" beginning on page 66 of this Letter of Offer.

Total Turnover of Each Major Business Segment

We currently operate in one business segment i.e. Denim Industry.

New Product or Business Segment

Except as disclosed in “*Our Business*” on page 66 of this Letter of Offer, we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company’s business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Letter of Offer, particularly in sections “*Risk Factors*” on page 20 of this Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Significant Developments since last balance sheet date

Except as disclosed above and in this Letter of Offer, including under “*Our Business*”, “*Risk Factors*” and “*Material Developments*” on pages 66, 20 and 117 respectively, to our knowledge no circumstances have arisen since December 31, 2022, the date of the last financial information disclosed in this Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company is involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities. Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and (v) other litigation involving our Company, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) or is otherwise material in terms of the Materiality Policy.

For the purpose of (v) above, as per the materiality policy in accordance with our Company's 'Policy on determination of materiality of events' framed in accordance with Regulation 30 of the SEBI Listing Regulations, the materiality threshold considered for disclosure of pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position shall be (i) if such matter exceeds ten per cent of the gross turnover, or (ii) exceeds ten per cent of the net worth, whichever is lower, determined on the basis of audited financial statements of last audited financial year, which amounts to ₹ 160.19 lakhs (being 10% of networth of our Company for Fiscal 2022); and (ii) any other litigation involving our Company which may be considered material by our Company for the purposes of disclosure in this section of this Letter of Offer ("Materiality Threshold").

Litigations involving our Company

Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

Nil

Proceedings involving material violations of statutory regulations by our Company

Nil

Economic offences where proceedings have been initiated against our Company

Nil

Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

Nil

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for the renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 50 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors in its meeting dated November 18, 2022 have authorised this Issue under Section 62(1) (a) of the Companies Act, 2013.

Our Board of Directors has, at its meeting held on February 07, 2023, determined the Issue Price as ₹ 10/- per Rights Equity Share in consultation with the Lead Manager, and the Rights Entitlement as one(01) Rights Equity Share for every one (01) Equity Shares held on the Record Date.

Our Company has received 'in-principle' approvals for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, *vide* letter dated January 27, 2023 issued by NSE for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoters and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on NSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. NSE is the Designated Stock Exchange for the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with SEBI;
2. The reports, statements and information referred to above are available on the website of NSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

The Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 1,500 lakhs. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Disclaimer from our Company, our Directors and the LM

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.mittallifestyle.in or the respective websites of our Promoter Group or an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company and the 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 bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Maharashtra, India only.

Disclaimer Clause of NSE

As required, a copy of the Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Letter of Offer, has been provided below:

“As required, a copy of this Letter of Offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as “NSE”). NSE has given vide its letter Ref. No. NSE/LIST/34174 dated January 27, 2023 permission to the Issuer to use the Exchange’s name in this letter of offer as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer 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 letter of offer 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 letter of offer; 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.”

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is NSE.

Listing

Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Selling Restrictions

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this the Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, legal advisor, the Registrar to the Issue and the Bankers to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Our Company has received written consent dated January 19, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) audited financial statements of the Company for the Fiscals 2022 and 2021, and their report thereon dated May 25, 2022 and June 21, 2021 respectively; (ii) limited review report dated January 13, 2023 on the unaudited financial statements for the nine month period ended December 31, 2022; and (iii) statement of tax benefits dated January 19, 2023 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

Expert Opinion

Our Company has received written consent dated January 19, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) audited financial statements of the Company for the Fiscals 2022 and 2021, and their report thereon dated May 25, 2022 and June 21, 2021 respectively; (ii) limited review report dated January 13, 2023 on the unaudited financial statements for the nine month period ended December 31, 2022; and (iii) statement of tax benefits dated January 19, 2023 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

Except for the above-mentioned documents, our Company has not obtained any expert opinions.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer was filed with National Stock Exchange of India Limited and not with SEBI. However, this Letter of Offer has been submitted with SEBI for information and dissemination and has been filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share Transfer Agent and all investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), email address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” beginning at page 137 of this Letter of Offer.

The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

Bigshare Services Private Limited

Office No S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai-400 093,
Maharashtra, India.

Telephone: +91 22 6263 8200/ 22

E-mail: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Vijay Surana

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / demat credit/ Refund Orders etc.

Ankitsingh Ganeshsingh Rajpoot, Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

Unit No. 8/9, Ravikiran,
Ground Floor, New Link Road,
Andheri (West), Mumbai - 400053,
Maharashtra.

Telephone: +91 22 2674 1787 / 2674 1792

E-mail: cs@mittallifestyle.in

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, before submitting an Application Form. Our Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA process are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter is correctly filled up.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility. The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, including the Application Form and the Rights Entitlement Letter, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association, the provisions of Companies Act, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

1) Dispatch and availability of Issue materials:

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circular, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, through email to the email addresses and physical delivery through speed post to all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. The Letter of Offer will be provided, only through email and speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.mittallifestyle.in;
- b) the Registrar to the Issue at www.bigshareonline.com;
- c) the Lead Manager at www.saffronadvisor.com; and
- d) the Stock Exchange at www.nseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at (www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.mittallifestyle.in).

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form. Resident Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by

entering their Folio Number.

2) *Facilities for Application in this Issue:*

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Collectively hereafter referred to as “**ASBA Circulars**”), all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see “*Procedure for Application through the ASBA Process*” on page 145 of this Letter of Offer.

3) *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “**MITTAL LIFE STYLE LIMITED - RIGHTS ENTITLEMENT DEMAT ESCROW ACCOUNT**”) opened by our Company, for the Resident Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Resident Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. Monday, February 13, 2023 are requested to provide relevant details (such as copies of self-attested PAN, client master sheet of demat account and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) not later than two Working Days prior to the Issue Closing Date i.e., Wednesday, March 01, 2023 in order to be eligible to apply for this Issue. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

In accordance with the SEBI Rights Issue Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e., Wednesday, March 01, 2023, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

4) *Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:*

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e., Wednesday, March 01, 2023, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date i.e., Thursday, March 02, 2023.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*” on page 151.

5) *Application for Additional Equity Shares*

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity

Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Basis of Allotment*” beginning on page 158.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

- 6) Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation/Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation/Off Market Renunciation, please refer to the heading titled “*Procedure for Application through the ASBA process*” on page 145 of this Letter of Offer.
- 7) *Other important links and helpline:*

The Investors can visit following links for the below-mentioned purposes:

- a) Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: www.bigshareonline.com
- b) Updation of demat account details by resident Eligible Equity Shareholders holding shares in physical form: www.bigshareonline.com

Renouncees

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renouncee(s) as well.

Authority for the Issue

The Board of Directors in its meeting dated November 18, 2022 has authorised this Issue under Section 62(1) (a) of the Companies Act, 2013.

The Board of Directors in their meeting held on February 07, 2023 have determined the Issue Price at ₹ 10/- per Equity Share and the Rights Entitlement as one (01) Rights Equity Share(s) for every one (01) fully paid up Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Our Company has received in-principle approval from NSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to letter dated January 27, 2023.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

Rights Entitlement (“REs”) (Rights Equity Shares)

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., Monday, February 13, 2023, are entitled to

the number of Rights Equity Shares as set out in the Application Form.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (www.mittallifestyle.in).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form to the email addresses as well as to the physical addresses of Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Letter of Offer will be provided, through email and speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, our Company and the Lead Manager through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange's websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹ 10/-.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ 10/- per Rights Equity Share (including a premium of ₹ Nil per Rights Equity Share) in the Issue. The Issue Price has been arrived at by our Company in consultation with the Lead Manager prior to the determination of the Record Date.

The Rights Equity Shares issued in this Issue will be fully paid-up. The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Board, at its meeting held on February 07, 2023, has determined the Issue Price, in consultation with the Lead Manager.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of one (01) Rights Equity Share(s) for every one (01) Equity Share(s) held on the Record Date.

Rights of instrument holder

Each Rights Equity Share shall rank *pari passu* with the existing Equity Shares of the Company.

Terms of Payment

The entire amount of the Issue Price of ₹ 10/- per Rights Equity Share shall be payable at the time of Application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of one (01) Rights Equity Share(s) for every one (01) Equity Share(s) held on the Record Date, i.e. Monday, February 13, 2023. Accordingly there will not be any fractional entitlements in this Issue.

Ranking

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends.

Mode of payment of dividend

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

As per the SEBI – Rights Issue Circular, the Rights Entitlements with a separate ISIN would be credited to the demat account of the respective Eligible Equity Shareholders before the issue opening date. On the Issue Closing date the depositories will suspend the ISIN of REs for transfer and once the allotment is done post the basis of allotment approved by the designated stock exchange, the separate ISIN no. INE997Y20019 for REs so obtained will be permanently deactivated from the depository system.

The existing Equity Shares of our Company are listed and traded under the ISIN: INE997Y01019 on NSE (**Symbol:** MITTAL). Our Equity Shares are not listed on BSE Limited. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On

Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on NSE subject to necessary approvals. Our Company has received in-principle approval from NSE through letter no. NSE/LIST/34174 dated January 27, 2023. All steps for completion of necessary formalities for listing and commencement of trading in the equity shares will be taken within 7 working days from the finalisation of the Basis of Allotment. Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading under the existing ISIN as fully paid-up Equity Shares of our Company. The temporary ISIN shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchange.

The Rights Equity Shares allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares shall be taken within the specified time.

If permissions to list, deal in and for an official quotation of the Rights Equity Shares are not granted by NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as applicable.

For details of trading and listing of Rights Equity Shares, please refer to the heading “*Terms of Payment*” at page 141 of this Letter of Offer.

Subscription to the Issue by our Promoters and Promoter Group

For details of the intent and extent of the subscription by our Promoters and Promoter Group, see “*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue*” on page 48.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of holders of Equity Shares

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association

General terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. Application Forms would be required to be signed by all the joint holders to be considered valid.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

New Financial Instruments

There are no new financial instruments like deep discount bonds, debentures with warrants, secured premium notes etc. issued by our Company.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository

Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circular, our Company will send, through email and speed post, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, through email and speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one (1) Marathi language daily newspaper with wide circulation at Maharashtra, where our Registered Office is situated.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date can apply for this Issue through ASBA facility. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see “*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*” on page 151.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers, the Lead Manager, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email and speed post at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.mittallifestyle.in;
- b) the Registrar to the Issue at www.bigshareonline.com
- c) the Lead Manager at www.saffronadvisor.com; and
- d) the Stock Exchange at www.nseindia.com.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.mittallifestyle.in). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. Further, in accordance with the SEBI Rights Issue Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through this Issue by first furnishing the details of their demat account along with their self-attested

PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two Working Days prior to the Issue Closing Date i.e. Wednesday, March 01, 2023, after which they can apply through ASBA facility.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “*Grounds for Technical Rejection*” on page 156. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 148.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.bigshareonline.com and link of the same would also be available on the website of our Company at (www.mittallifestyle.in). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

In accordance with the SEBI Rights Issue Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. Wednesday, March 01, 2023, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in “*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*” on page 151.

Procedure for Application through the ASBA process

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page 148.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled “*Terms of the Issue*” on page 137. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section “*Basis of Allotment*” on page 158.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and

the Application Form.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to Issue Closing Date, *i.e.*, Wednesday, March 01, 2023, such that credit of REs in their demat account takes place at least one day before Issue Closing Date *i.e.*, Thursday, March 02, 2023, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE997Y20019 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time. The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, Wednesday, February 22, 2023 to Monday, February 27, 2023 (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE997Y20019 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE997Y20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to

their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Applications on Plain Paper under ASBA process

An Eligible Equity Shareholder who has neither received the Application Form nor is in a position to obtain the Application Form either from our Company, Registrar to the Issue, Manager to the Issuer or from the website of the Registrar, can make an Application to subscribe to the Issue on plain paper through ASBA process. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently, may make an Application to subscribe to the Issue on plain paper, along with an account payee cheque or demand draft drawn at par, net of bank and postal charges, payable at Bengaluru and the Investor should send such plain paper Application by registered post directly to the Registrar to the Issue. For details of the mode of payment, see “*Modes of Payment*” on page 150.

The envelope should be super scribed “***Mittal Life Style Limited – Rights Issue***” and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of our Issuer, being Mittal Life Style Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ 10/- per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and

- order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

“I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (“US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (“United States”) or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act (“Regulation S”). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is a resident of the United States “U.S. Person” (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

“I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at . Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Last date for Application

The last date for submission of the duly filled in Application Form is Friday, March 3, 2023. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the Application together with the amount payable is either (i) not blocked with an SCSB; or (ii) not received by the Bankers to the Issue or the Registrar on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of

Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under “*Terms of the Issue - Basis of Allotment*” on page 158.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor’s ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar’s instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Resident Investors

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Non-Resident Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at rightsissue@bigshareonline.com.

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company or the Lead Manager.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.
- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.

Procedure for application by Resident Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, i.e., Wednesday, March 01, 2023, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date i.e., Thursday, March 02, 2023.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
3. The remaining procedure for Application shall be same as set out in “*Application on Plain Paper under ASBA process*” beginning on page 148.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than

two working days prior to Issue Closing Date i.e., Wednesday, March 01, 2023, such that credit of REs in their demat account takes place at least one day before Issue Closing Date i.e., Thursday, March 02, 2023, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE.

FOR DETAILS, SEE “ALLOTMENT ADVICES/ REFUND ORDERS” ON PAGE 159.

General instructions for Investors

- (a) Please read this Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- (b) In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.
- (c) Please read the instructions on the Application Form sent to you.
- (d) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.
- (e) Application should be made only through the ASBA facility.
- (f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- (g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page 148.
- (h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- (i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (j) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

- (k) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar and the Lead Manager.
- (l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- (n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- (q) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (r) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- (s) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (t) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (u) In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager

Additional general instructions for Investors in relation to making of an Application

- (a) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (b) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- (c) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (d) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (e) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (f) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (g) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (h) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (i) Do not submit multiple Applications.
- (j) No investment under the FDI route (i.e any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.
- (k) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Do's:

- (a) Ensure that the Application Form and necessary details are filled in.

- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

Don’ts:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.

Do’s for Investors applying through ASBA:

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don’ts for Investors applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

- b) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are

U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Multiple Applications

A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, see "*Investment by Mutual Funds*" below on page 163.

In cases where multiple Applications are submitted, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as

multiple applications and are liable to be rejected (other than multiple applications submitted by any of the Promoters or members of the Promoter Group as described in *Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue* ” on page 48).

Underwriting

The Issue is not underwritten.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor may withdraw their Application post the Issue Closing Date.

Issue schedule

Events	Indicative Date
Last Date for credit of Rights Entitlements	Friday, February 17, 2023
Issue Opening Date	Wednesday, February 22, 2023
Last date for on-Market Renunciation of Rights Entitlements[#]	Monday, February 27, 2023
Issue Closing Date*	Friday, March 03, 2023
Finalising the basis of allotment (on or about)	Monday, March 13, 2023
Date of Allotment (on or about)	Tuesday, March 14, 2023
Date of credit (on or about)	Friday, March 17, 2023
Date of listing (on or about)	Wednesday, March 22, 2023

**Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).*

[#]Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in its/their favor, in full or in part, as adjusted for fractional entitlement.
- (b) As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored, therefore those Equity Shareholders holding less than one (01) Equity Shares would be entitled to ‘Zero’ Rights Equity Shares under this Issue, Application Form with ‘Zero’ entitlement will be send to such shareholders. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and would be given preference in the allotment of 1 (One) Rights Equity Share if, such Equity Shareholders have applied for the Additional Rights Equity Shares, subject to availability of Rights Equity shares post allocation towards Rights Entitlement applied for. Allotment under this head shall be considered if there are any un-subscribed Equity Shares after Allotment under (a) above. If the number of Rights Equity Shares required for Allotment under this head is more than number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.
- (c) Allotment to the Eligible Equity Shareholders who have applied for the full extent of their Rights Entitlement and have also applied for Additional Rights Equity Shares shall be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are unsubscribed Rights Equity Shares after making full Allotment under (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and also have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares shall be made on a proportionate basis as part of the Issue and will not be a preferential allotment.
- (e) Allotment to any other person that our Board may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.
- (f) After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- (a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- (b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- (c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Allotment Advices/Refund Orders

Our Company will issue and dispatch Allotment advice, refund instructions or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Automated Clearing House ("NACH") except where Investors have not provided the details required to send electronic refunds or where the investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement ("RTGS").

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post or email intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form was available only for a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., until May 10, 2019.

The letter of allotment or refund order would be sent by registered post, email or speed post to the sole/ first Investor's address or the email address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

In the event, our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund the entire proceeds of the Issue within four days of receipt of intimation from the Stock Exchange rejecting the application for listing of Equity Shares, and if any such money is not repaid within four days after our Company becomes liable to repay we shall, on and from the expiry of the fourth day, be liable to repay that money with

interest at the rate of fifteen per cent. per annum.

Payment of Refund

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. Unblocking amounts blocked using ASBA facility;

2. National Automated Clearing House (“NACH”) – NACH is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the Depositories), except where the Applicant is otherwise disclosed as eligible to get refunds through NEFT, Direct Credit or RTGS.

3. National Electronic Fund Transfer (“NEFT”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, such MICR number and the bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for such refund would be borne by our Company.

5. RTGS – If the refund amount exceeds ₹ 200,000, Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event such IFSC Code is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for such refund would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.

6. For all other Investors, the refund orders will be dispatched through speed post or registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.

7. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor’s bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders or refund warrants which can then be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Option to receive Right Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE RESIDENT ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

INVESTORS SHALL BE ALLOTTED THE RIGHTS EQUITY SHARES IN DEMATERIALIZED (ELECTRONIC) FORM.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (*care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company*). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders whose Equity Shares are with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.

- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 151.

Investment by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to use the ASBA Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent, except where pre-approval is provided.

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.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Investment by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended (“**SEBI VCF Regulations**”) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended (“**SEBI FVCI Regulations**”) prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 (“**SEBI AIF Regulations**”) prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to

invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs.

Investment by NRIs

Investments by NRIs are governed by Rule 12 of FEMA Rules. Applications will not be accepted from NRIs in Restricted Jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO accounts shall use the Application form meant for resident Indians and shall not use the Application forms meant for reserved category.

As per Rule 12 of the FEMA Rules read with Schedule III of the FEMA Rules, an NRI or OCI may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should 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 will 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 warrants. 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.

Investment by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions 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 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 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Dematerialised Dealing

Our Company has entered into tripartite agreements dated January 1, 2018 and December 20, 2017 with NSDL and CDSL, respectively, and our Equity Shares bear the ISIN: INE997Y01019.

Disposal of Applications and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application. Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be unblocked in the respective ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law. For further instructions, please read the Application Form carefully.

Utilization of Issue Proceeds

Our Board of Directors declares that:

- (a) All monies received out of the Issue shall be transferred to a separate bank account;
- (b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- (c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- (d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the

Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

- (i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- (ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- (iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- (iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- (v) Other than any Equity Shares that may be issued pursuant to exercise options under the ESOP 2016 and ESOP 2018, no further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
- (vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- (vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.
- (viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- (ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- (x) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer was filed with National Stock Exchange of India Limited and not with SEBI. However, this Letter of Offer has been submitted with SEBI for information and dissemination and has been filed with the Stock Exchange.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Important

Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in “*Risk Factors*” on page 20.

All enquiries in connection with this Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “*Mittal Life Style Limited – Rights Issue*” on the envelope to the Registrar at the following address:

Bigshare Services Private Limited

Office No S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai-400 093,
Maharashtra, India.

Telephone: +91 22 6263 8200/ 22

E-mail: rightsissue@bigshareonline.com

Contact person: Vijay Surana

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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 Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 (“**FDI Circular 2017**”), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.mittallifestyle.in from the date of this Letter of Offer until the Issue Closing Date.

1. Material Contracts for the Issue

- (i) Issue Agreement dated January 17, 2023 entered into between our Company and the Lead Manager.
- (ii) Registrar Agreement dated January 17, 2023 entered into amongst our Company and the Registrar to the Issue.
- (iii) Escrow Agreement dated February 02, 2023 amongst our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.

2. Material Documents

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Certificate of incorporation dated August 31, 2005.
- (iii) Fresh certificate of incorporation dated November 23, 2017 consequent upon conversion from private company to public company.
- (iv) Prospectus dated March 7, 2018 in relation to the initial public offering of our Company.
- (v) Resolution of the Board of Directors dated November 18, 2022 in relation to the Issue.
- (vi) Resolution of the Rights Issue Committee dated January 23, 2023 approving and adopting the Draft Letter of Offer.
- (vii) Resolution of the Board of Directors dated February 07, 2023 approving and adopting the Letter of Offer.
- (viii) Resolution of the Board of Directors dated February 07, 2023, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
- (ix) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead manager, Bankers to the Issue, Legal Advisor, the Registrar to the Issue for inclusion of their names in the Letter of Offer in their respective capacities.
- (x) The report dated May 25, 2022 of the Statutory Auditor, on our Audited Financial Statements for the financial year ended March 31, 2022, included in this Letter of Offer.
- (xi) The Limited Reviewed Financial Results dated January 13, 2023 for the nine month period ended December 31, 2022, included in this Letter of Offer.
- (xii) Statement of Tax Benefits dated January 19, 2023 from the Statutory Auditor included in this Letter of Offer.
- (xiii) Tripartite Agreement dated January 01, 2018 between our Company, NSDL and the Registrar to the Issue.
- (xiv) Tripartite Agreement dated December 20, 2017 between our Company, CSDL and the Registrar to the Issue.
- (xv) In principle listing approvals dated January 27, 2023 issued by NSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Brijeshkumar Jagdishkumar Mittal
(Chairman and Managing Director)

Sd/-

Pratik Brijeshkumar Mittal
(Executive Director and Chief Financial Officer)

Sd/-

Sudha Brijeshkumar Mittal
(Non-Executive Director)

Sd/-

Prasun Muljibhai Modi
(Independent Director)

Sd/-

Praful Jadavji Shah
(Independent Director)

Sd/-

Vishnu Banwarilal Sharma
(Independent Director)

Place: Mumbai

Date: February 07, 2023