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### AJC JEWEL MANUFACTURERS LIMITED

Our Company was originally incorporated under the name “*Pheonix Gold Castings Private Limited*” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated March 23, 2018, issued by the Registrar of Companies Central Registration Centre. Further the name of the Company was changed to “*AJC Jewel Manufacturers Private Limited*” vide Certificate of Incorporation dated May 14, 2020 by Registrar of Ernakulam. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “*AJC Jewel Manufacturers Limited*” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on August 05, 2024. The fresh certificate of incorporation consequent to conversion was issued on September 24, 2024, by Centralised Processing Centre. The Corporate Identification Number of our Company is U93090KL2018PLC052621. For further details on Incorporation and Registered Office of our Company, see “*History and Certain Corporate Matters*” beginning on page 197 of this Draft Red Herring Prospectus.

**Registered Office:** 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India;

**Tel:** +91 9567916106 **E-mail:** investors@ajcjewel.com; **Website:** <https://ajcjewel.com/>

**Contact Person:** Ms. Reshmi N K, Company Secretary and Compliance Officer;

**THE PROMOTERS OF OUR COMPANY ARE MR. ASHRAF P, MR. KUNHIMOHAMED P AND MS. FATHIMA JASNA KOTTEKATTU**

INITIAL PUBLIC OFFER OF UPTO 16,20,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF AJC JEWEL MANUFACTURERS LIMITED (“OUR COMPANY” OR “AJC JEWEL” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.e., NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

#### **Potential investor may note the following:**

1. The Chapter titled “*Summary of Offer Document*” beginning on page 26 of the Draft Red Herring Prospectus has been updated with the modifications.
2. The Chapter titled “*Risk Factors*” beginning on page 35 of the Draft Red Herring Prospectus has been updated with shifting and modification of certain Risk Factors.
3. The Chapter titled “*The Issue*” beginning on page 75 of the Draft Red Herring Prospectus has been updated with the modifications.
4. The Chapter titled “*Capital Structure*” beginning on page 91 of the Draft Red Herring Prospectus has been updated with the modifications.
5. The Chapter titled “*Our Business*” beginning on page 153 of the Draft Red Herring Prospectus has been updated with the modifications.
6. The Chapter titled “*History and Certain Corporate Matters*” beginning on page 197 of the Draft Red Herring Prospectus has been updated with the modifications.
7. The Chapter titled “*Government and Other Statutory Approvals*” beginning on page 289 of the Draft Red Herring Prospectus has been updated with the modifications.
8. The Chapter titled “*Other Regulatory and Statutory Disclosures*” beginning on page 294 of the Draft Red Herring Prospectus has been updated with the modifications.
9. The Chapter titled “*Material Contracts and Documents for Inspection*” beginning on page 373 of the Draft Red Herring Prospectus has been updated with the modifications.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

**Place:** Malappuram, Kerala

**Date:** May 30, 2025

On behalf of **AJC Jewel Manufacturers Limited**

Sd/-

**Mr. Ashraf P**

Chairman & Managing Director

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

**SMART HORIZON**  
CAPITAL ADVISORS PVT. LTD.

**Bigshare Services Pvt. Ltd.**

**Smart Horizon Capital Advisors Private Limited**  
(Formerly Known as Shreni Capital Advisors Private Limited)  
B/908, Western Edge II, Kanakia Space, Behind Metro Mall, off Western Express Highway,  
Magathane, Borivali East, Mumbai – 400066, Maharashtra, India.  
**Telephone:** 022 - 2089 7022  
**E-mail:** [director@shcapl.com](mailto:director@shcapl.com)  
**Investor complaints Email id:** [investor@shcapl.com](mailto:investor@shcapl.com)  
**Contact Person:** Mr. Parth Shah  
**Website:** [www.shcapl.com](http://www.shcapl.com)  
**SEBI Registration Number:** INM000013183

**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  
**Tel:** 022 - 6263 8200  
**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Contact Person:** Mr. Asif Sayyed  
**SEBI Registration No.:** INR000001385

#### **ISSUE PROGRAMME**

**ANCHOR INVESTOR BID/ISSUE PERIOD:** [●] \*

**BID/ISSUE OPENS ON:** [●] \*

**BID/ISSUE CLOSES ON:** [●] \*\*#

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

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

# The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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## SECTION II - SUMMARY OF OFFER DOCUMENT

### SIZE OF ISSUE

2. *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 02, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 05, 2025 at shorter notice.*

### SECTION III – RISK FACTORS

**21. Our promoter group entities and one of the Group Company is in the same line of business and consequently the interest of these entities and Company may be in conflict with the interest of our Company.**

Our promoter group entities and one of the Group Company viz A J C Jewellery Trading L.L.C, AJC Jewel Manufacturers (FZE) and Vismaya Gold are in the same line of business products in which our Company operates. Our promoter group entities and one of the Group Company and our Company operates in the same line of Gold Jewellery Industry. Our Promoter group entity and Group Company namely A J C Jewellery Trading L.L.C is in the business of trading 22k and 18k Gold jewellery, sourcing products from both Local and international suppliers in United Arab Emirates. Our Promoter Group Entity namely AJC Jewel Manufacturer (FZE) is in the business of manufacturing casting jewellery items like rings, pendant, bracelet, bangles, neckless, anklets, earrings. Also, another promoter group entity namely Vismaya Gold is in the business of wholesale and retail trading of gold jewellery on small scale basis. This may lead to potential conflict of interest between us and these entities. There can be no assurance that our promoter group entities and one of the Group Company will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours in domestic and International Market. Any such present and future conflicts could have a material adverse effect on our Reputation, Business, Results of Operations and Financial Condition of the Company.

**Following is the table distinguishing clearly the business of the issuer as compared to the companies and entities mentioned above alongwith the holdings.**

| Company Name  | Nature of Business  | Business Model   | Activities  | Product Type   | Market Focus                                   |
|---|---|--|---|--|--|
| AJC Jewel Manufacturers Limited                                     | Manufacturing and designing the wide range of wholesale Gold Jewellerys | Wholesale B2B Business                                     | Manufacturing and designing the wide range of wholesale Gold Jewellerys | plain gold, studded and named jewellerys available in 22karat and 18Karat. | Some states of India and United Arab Emirates. |
| Vismaya Gold (Sole Proprietorship of Mr. Ashraf P)                  | Trading of used gold and gold jewellery.                                | B2C  | Buying of used gold and selling of new ornaments to end customers       | All kind of gold jewellery   | Nearby areas of Vengara.                       |
| AJC Jewellery Trading LLC   | Trading of gold jewellery, diamond jewellery and bullions.              | Wholesale B2B Business                                     | Trading of gold jewellery, diamond jewellery, bullions                  | All kind of gold jewellery, diamond jewellery, and bullions.               | United Arab Emirates                           |
| AJC Jewel Manufacturers (FZE) (Sole Proprietorship of Mr. Ashraf P) | Manufacturing of gold jewellery.  | Manufacturing gold ornaments and selling to B2B customers. | Manufacturing gold ornaments.   | Cz Casting jewellery   | United Arab Emirates                           |

**Following are the holdings of AJC Jewellery Trading LLC:**

| Full name of Partners | Shares in No. | Shares value in Dhs. | % of the capital |
|-----------------------|---------------|----------------------|------------------|
| Ashraf Perinkadakkad  | 72            | 72,000               | 36%              |
| Muhammad Muinudheen   | 102           | 1,02,000             | 51%              |
| Rashiq                | 18            | 18,000               | 9%               |



|                    |            |                 |             |
|--------------------|------------|-----------------|-------------|
| Habeeb Rahman Faiz | 8          | 8,000           | 4%          |
| <b>Total</b>       | <b>200</b> | <b>2,00,000</b> | <b>100%</b> |

**23. *A significant portion of our manufacturing work is done by CAD designers who work exclusively for us, any loss of our designers or our inability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.***

Most of our jewellery products are designed by experienced and skilled CAD Designers which forms a major part of our manufacturing process. The Number of such designers currently working as on May 28, 2025 is 9. We do not enter into any written arrangements with them for the work undertaken by them and even they have been working with us for significantly long period. Since we do not enter into any agreements with them and there is a chance of them not looking interested in our business and work culture and also our competitors may offer them better terms, which may cause them to prefer our competitors over us. In case some or all of such CAD designers decide to not undertake design work of our jewellery products, we will have to strain our resources to find other designers who may not agree to commercially acceptable terms or at all. Further, since there is no Agreement with the designers and are not bound by any covenant or restriction, our jewellery designs may still be shared openly in the market which may damage our results of operations. Further, our designs may be copied by our competitors which could decrease our capability to compete with them and which could further impact our profitability and future revenues.

## **SECTION IV – INTRODUCTION**

### **THE ISSUE**

*(2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 02, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 05, 2025 at shorter notice.*

## **CAPITAL STRUCTURE**

<sup>(1)</sup> *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 02, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 05, 2025 at shorter notice.*

## SECTION VI – ABOUT THE COMPANY

### OUR BUSINESS

#### CAPACITY AND CAPACITY UTILISATION

Installed & Capacity utilization details of our production facility for the period ended December 31, 2024 and Financial years ended on March 31, 2024, 2023 and 2022 are entailed below:

| Sr. No. | Year                     | Installed Capacity in Kilogram per Annum | Actual Capacity in Kilogram per Annum | % of Utilization Rate |
|---------|--------------------------|--|---------------------------------------|-----------------------|
| 1.      | April 2021-March 2022    | 350 Kg                                   | 260 Kg                                | 74%                   |
| 2.      | April 2022-March 2023    | 600 Kg                                   | 330 Kg                                | 55%                   |
| 3.      | April 2023-March 2024    | 700 Kg                                   | 440 Kg                                | 63%                   |
| 4.      | April 2024-December 2024 | 525 Kg                                   | 310 Kg                                | 59%                   |

**Note:**

Information regarding production output included in this report is based on information provided by the company and hence certain assumptions are made.

The above information is certified by chartered engineer, Shajitha A. P. vide their certificate dated January 17, 2025.

The decision to go for capacity expansion despite the current underutilization is primarily driven by the limitations of our existing machinery. At present, we are operating with outdated equipment that restricts our ability to produce modern, lightweight, and intricately designed jewellery, which is increasingly in demand.

Our proposed expansion involves the acquisition of advanced, state-of-the-art machinery. This upgrade will not only enhance our production capacity but also enable us to manufacture more complex and trending designs with greater efficiency and precision. The move aligns with our strategic objective to stay competitive in the evolving market and meet the growing expectations of our customers.

#### PROPERTIES

**Lease Properties:**

| Date of Lease Agreement | Lessor                       | Area of the Property (In sq. ft.) | Address   | Period of Lease | Rent   | Purpose                                       |
|-------------------------|------------------------------|-----------------------------------|---|-----------------|--|---|
| October 19, 2023        | INKEL-KSIDC Projects Limited | 21,780.76 Sq. ft.                 | 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India, | 82 years        | ₹ 20 per cent per annum subject to an annual increase of 6 % payable in advance on or before 30 <sup>th</sup> April of every year for that financial year.<br><br>Currently, the company is in the 6th year of the lease term, | Registered office address/ Manufacturing Unit |

|  |  |  |  |  |   |  |
|--|--|--|--|--|---|--|
|  |  |  |  |  | and the annual 6% increase has been consistently applied since inception. The annual Land Lease rental is Rs. 1419. |  |
|--|--|--|--|--|---|--|

## HISTORY AND CERTAIN CORPORATE MATTERS

### SHAREHOLDERS' AGREEMENT

Except as mentioned below, our Company has not entered into any Shareholders Agreement as on the date of this Draft Red Herring Prospectus:

| Date of the Shareholding Agreement | Name of the Shareholder | No of Equity Shares | Consideration          | Nature of Allotment |
|------------------------------------|-------------------------|---------------------|------------------------|---------------------|
| January 29, 2019                   | Mr. Kader Kutty         | 3,518               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Jaseela Thasneem    | 5,750               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Saifunneesa         | 8,690               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Abdu Samad          | 2,950               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Najiya Thoiba       | 8,805               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Asya                | 7,445               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Haseena             | 7,628               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Fathima             | 7,540               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Sameema             | 7,347               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Moossakutty         | 4,735               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Sharafali           | 3,107               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Sakeena             | 5,572               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Mohammed Naeem      | 2,953               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Ruseena             | 8,060               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Sahida              | 7,068               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Muhammed Sapwan KT  | 2,996               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Aboobacker          | 3,000               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Muhammadali         | 2,708               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Arafath             | 8,295               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Abdul Basith Pari   | 2,441               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Mohammed Ellias     | 8,395               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Jamsheer            | 6,773               | Other than cash – Gold | Private Placement   |

| <b>Date of the Shareholding Agreement</b> | <b>Name of the Shareholder</b>     | <b>No of Equity Shares</b> | <b>Consideration</b>   | <b>Nature of Allotment</b> |
|---|------------------------------------|----------------------------|------------------------|----------------------------|
| May 29, 2019                              | Mr. Abdul Rasik                    | 8,002                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Ms. Sabiya                         | 10,713                     | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Ms. Safabeevi                      | 9,436                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Ms. Sainaba                        | 6,485                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Mr. Mohamed Shafi                  | 6,021                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Mr. Shajahan                       | 2,862                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Ms. Soumya                         | 7,659                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Mr. Thaha                          | 6,346                      | Other than cash – Gold | Private Placement          |
| May 29, 2019                              | Ms. Thulasi Gopal                  | 7,137                      | Other than cash – Gold | Private Placement          |
| June 01, 2019                             | Ms. Nihala Puthukudi               | 7,885                      | Other than cash – Gold | Private Placement          |
| November 30, 2020                         | Ms. Alfiya                         | 8,319                      | Other than cash- Gold  | Rights Issue               |
| November 30, 2020                         | Ms. Fathwimathul Husna             | 6,190                      | Other Gold than cash-  | Rights Issue               |
| November 30, 2020                         | Mr. Abdul Haseeb P.K.              | 11,072                     | Other Gold than cash-  | Rights Issue               |
| January 30, 2021                          | Ms. Mashhura Sherin Elambulasserri | 10,430                     | Other Gold than cash-  | Rights Issue               |
| August 05, 2021                           | Ms. Abida                          | 7,045                      | Other Gold than cash-  | Rights Issue               |
| August 05, 2021                           | Ms. Faseela C                      | 7,045                      | Other Gold than cash-  | Rights Issue               |
| August 05, 2021                           | Mr. Muhammed Perinkadakkat         | 7,828                      | Other Gold than cash-  | Rights Issue               |
| August 05, 2021                           | Ms. Sabira                         | 7,045                      | Other Gold than cash-  | Rights Issue               |
| August 05, 2021                           | Ms. Sulaikha Perinkadakkat         | 16,439                     | Other Gold than cash-  | Rights Issue               |
| March 14, 2023                            | Ms. Riswana Parveen K P            | 6,914                      | Other Gold than cash-  | Rights Issue               |

Note: There are no specific terms and conditions of these agreements except that the consideration for the shares allotted was accepted in the form of gold of equivalent value. As regards any special rights to the concerned shareholders, no special rights were provided to them either by way of the agreement or any resolution for allotment and that all the shares were allotted at par without any special rights to any of the shareholders. Moreover, all the shares from the allottees have already been transferred to other shareholders without any conditions and that they rank pari passu to the existing shares and hence the above agreements are ineffective as on the date of this Draft Red Herring Prospectus.

## **SECTION VIII – LEGAL AND OTHER INFORMATION**

### **GOVERNMENT AND OTHER APPROVALS**

#### **Approvals in relation to the Issue**

##### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on May 02, 2025 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated May 05, 2025 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

Our Board of Directors have vide resolution dated May 02, 2025 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on May 05, 2025 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013 at shorter notice.

## **SECTION XI – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

#### **MATERIAL DOCUMENTS**

4. Resolution of the Board of Directors dated May 02, 2025 in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on May 05, 2025 in relation to the Issue.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

|   |  |
|---|--|
| Sd/-<br><b>Mr. Ashraf P</b><br>Chairman & Managing Director<br><b>DIN: 08094239</b>                     | Sd/-<br><b>Mr. Mohamedali Cheruparambil</b><br>Whole Time Director<br><b>DIN: 10668023</b>     |
| Sd/-<br><b>Ms. Fathima Jasna Kottekattu</b><br>Executive Director<br><b>DIN: 10691112</b>               | Sd/-<br><b>Mr. Afnas</b><br>Non-Executive Independent Director<br><b>DIN: 10597831</b>         |
| Sd/-<br><b>Mr. Anoop V</b><br>Non-Executive Independent Director<br><b>DIN: 10691111</b>                | Sd/-<br><b>Mr. Ganesh Ramani</b><br>Non-Executive Independent Director<br><b>DIN: 10792685</b> |
| Sd/-<br><b>Mr. Thajudheen Valakkundil</b><br>Non-Executive Independent Director<br><b>DIN: 08789363</b> |  |

### SIGNED BY THE CFO AND CS OF OUR COMPANY

|  |   |
|--|---|
| Sd/-<br><b>Mr. Mahesh K V</b><br>Chief Financial Officer | Sd/-<br><b>Ms. Reshmi N K</b><br>Company Secretary and Compliance Officer |
|--|---|

**Place:** Malappuram, Kerala

**Date:** May 30, 2025

**AJC JEWEL MANUFACTURERS LIMITED**

CIN: U93090KL2018PLC052621

| Registered Office  | Corporate Office | Contact Person   | Email and Telephone  | Website   |
|--|------------------|--|--|---|
| 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India | N.A.             | Ms. Reshmi N K<br>Company Secretary and Compliance Officer | Email: <a href="mailto:investors@ajcjewel.com">investors@ajcjewel.com</a><br>Telephone: +91 9567916106 | <a href="https://ajcjewel.com/">https://ajcjewel.com/</a> |

**THE PROMOTERS OF OUR COMPANY ARE MR. ASHRAF P, MR. KUNHIMOHAMED P AND MS. FATHIMA JASNA KOTTEKATTU****DETAILS OF ISSUE TO PUBLIC, PROMOTERS**

| TYPE        | FRESH ISSUE   | SIZE OF OFFER FOR SALE | TOTAL ISSUE SIZE   | ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND IIs   |
|-------------|---|------------------------|--|--|
| Fresh Issue | Up to 16,20,000 Equity Shares aggregating up to [●] Lakhs | N.A.                   | Up to 16,20,000 Equity Shares aggregating, up to [●] Lakhs | The Issue is being made in Terms of Regulation 229 (1) and 253 (1) and 253 (2) of the SEBI ICDR Regulations 2018 and as amended. For details in relation to share reservation among QIBs, Non-Institutional Bidders and Individual Bidder, see "Issue Structure" beginning on page 317 of this Draft Red Herring Prospectus. |

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION – NOTAPPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES****RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of Book Building Process as stated in "Basis for Issue Price" beginning on page 118 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the issue unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the issue. For taking an investment decision, Bidders must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 35 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares Issued through the Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE ("BSE SME"). Our Company has received "In-Principle" approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Issue, the Designated Stock Exchange shall be BSE Limited.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

| Name and Logo   | Contact Person | Email & Telephone   |
|---|----------------|---|
| <br><b>SMART HORIZON CAPITAL ADVISORS PRIVATE LIMITED</b> (Formerly Known as Shreni Capital Advisors Private Limited) | Mr. Parth Shah | E-mail: <a href="mailto:director@shcapl.com">director@shcapl.com</a><br>Telephone: 022 - 28706822 |

**REGISTRAR TO THE ISSUE**

| Name and Logo                        | Contact Person  | Email & Telephone  |
|--------------------------------------|-----------------|--|
| <br><b>BIGSHARE SERVICES PVT LTD</b> | Mr. Asif Sayyed | E-mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br>Telephone: 022 - 6263 8200 |

**BID/ISSUE PROGRAMME**

|  |                                 |                                    |
|--|---------------------------------|------------------------------------|
| <b>ANCHOR INVESTOR BID/ ISSUE PERIOD: [●]*</b> | <b>BID/ISSUE OPENS ON: [●]*</b> | <b>BID/ ISSUE CLOSES ON: [●]**</b> |
|--|---------------------------------|------------------------------------|

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

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

# The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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## AJC JEWEL MANUFACTURERS LIMITED

Our Company was originally incorporated under the name “*Phoenix Gold Castings Private Limited*” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated March 23, 2018, issued by the Registrar of Companies Central Registration Centre. Further the name of the Company was changed to “*AJC Jewel Manufacturers Private Limited*” vide Certificate of Incorporation dated May 14, 2020 by Registrar of Ernakulam. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “*AJC Jewel Manufacturers Limited*” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on August 05, 2024. The fresh certificate of incorporation consequent to conversion was issued on September 24, 2024, by Centralised Processing Centre. The Corporate Identification Number of our Company is U93090KL2018PLC052621. For further details on Incorporation and Registered Office of our Company, see “*History and Certain Corporate Matters*” beginning on page 197 of this Draft Red Herring Prospectus.

**Registered Office:** 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India;

**Tel:** +91 9567916106 **E-mail:** investors@ajcjewel.com; **Website:** <https://ajcjewel.com/>

**Contact Person:** Ms. Reshmi N K, Company Secretary and Compliance Officer;

### THE PROMOTERS OF OUR COMPANY ARE MR. ASHRAF P, MR. KUNHIMOHAIED P AND MS. FATHIMA JASNA KOTTEKATTU

INITIAL PUBLIC OFFER OF UPTO 16,20,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF AJC JEWEL MANUFACTURERS LIMITED (“OUR COMPANY”) OR “AJC JEWEL” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E., NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH DAILY NEWSPAPER, ALL EDITIONS OF [●], THE HINDI NATIONAL DAILY NEWSPAPER AND ALL EDITIONS OF THE [●], A MALAYALAM DAILY NEWSPAPER (MALAYALAM BEING THE REGIONAL LANGUAGE OF KERALA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO SME PLATFORM OF BSE (“BSE SME”), FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, AS AMENDED.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of One Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Banks, as applicable.

### THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 (1) and 253 (2) of the SEBI ICDR Regulations 2018 and as amended, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company and the selling shareholders in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Issue Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (“Net QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, the SEBI ICDR Regulations read with SEBI ICDR, 2018 and amendments thereto, states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of shares in non-institutional investors’ category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) Regulations, 2018 and as amended. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled “*Issue Procedure*” on page 322 of this Draft Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in “*Basis for Issue Price*” beginning on page 118 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Bidders must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 35 of this Draft Red Herring Prospectus.

### ISSUER’S ABSOLUTE RESPONSIBILITY

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

### LISTING

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

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

#### REGISTRAR TO THE ISSUE



**Smart Horizon Capital Advisors Private Limited**  
*(Formerly Known as Shreni Capital Advisors Private Limited)*  
 B/908, Western Edge II, Kanakia Space, Behind Metro Mall, off Western Express Highway,  
 Magathane, Borivali East, Mumbai – 400066, Maharashtra, India.  
**Telephone:** 022 - 2089 7022  
**E-mail:** [director@shcapl.com](mailto:director@shcapl.com)  
**Investor complaints Email id:-** [investor@shcapl.com](mailto:investor@shcapl.com)  
**Contact Person:** Mr. Parth Shah  
**Website:** [www.shcapl.com](http://www.shcapl.com)  
**SEBI Registration Number:** INM000013183

**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  
**Tel:** 022 - 6263 8200  
**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Contact Person:** Mr. Asif Sayyed  
**SEBI Registration No.:** INR000001385

### ISSUE PROGRAMME

|  |                                  |                                     |
|--|----------------------------------|-------------------------------------|
| <b>ANCHOR INVESTOR BID/ISSUE PERIOD: [●] *</b> | <b>BID/ISSUE OPENS ON: [●] *</b> | <b>BID/ISSUE CLOSES ON: [●] ***</b> |
|--|----------------------------------|-------------------------------------|

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

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

# The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies shall be to such legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies as amended, updated, supplemented, re-enacted or modified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, 2018 and as amended, SEBI Listing Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Further, the Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Basis for Issue Price”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “History and Certain Corporate Matters”, “Restated Financial Statements”, “Our Group Company”, “Outstanding Litigations and Material Developments”, “Issue Procedure” and section titled “Main Provisions of the Articles of Association” on page 118, 126, 130, 227, 224, 126, 283, 322 and 346 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### GENERAL TERMS

| Term   | Description   |
|--|---|
| “AJC Jewel”, “AJC”, “the Company”, “our Company”, “The Issuer” and “AJC Jewel Manufacturers Limited” | AJC Jewel Manufacturers Limited, a company incorporated in India under the Companies Act, 2013 having its Registered office at 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala, India, 676519. |
| “we”, “us” and “our”   | Unless the context otherwise indicates or implies, refers to our Company  |
| “you”, “your” or “yours”   | Prospective investors in this Issue   |

#### COMPANY RELATED TERMS

| Term                                       | Description   |
|--|---|
| AOA / Articles / Articles of Association   | The Articles of Association of AJC Jewel Manufacturers Limited as amended from time to time.  |
| Audit Committee                            | The Audit Committee of our Company, constituted on September 29, 2024 and re-constituted on April 11, 2025 in accordance with Section 177 of the Companies Act, 2013, as described in “Our Management” beginning on page 202 of this Draft Red Herring Prospectus |
| Auditors/ Statutory Auditors               | The Statutory Auditors of our Company, currently being M/s. Kumar & Biju Associates LLP, Chartered Accountants, having their office at Nestle, West Nadakkavu, Calicut, Kerala, 673011.   |
| Bankers to the Company                     | ICICI Bank Limited, Axis Bank Limited and HDFC Bank Limited   |
| Board of Directors / the Board / our Board | The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 202 of this Draft Red Herring Prospectus.                       |
| Chairman/ Chairperson                      | The Chairman of the Board of Directors of our Company being Mr. Ashraf P  |
| Chief Financial Officer/CFO                | The Chief Financial Officer of our Company being Mr. Mahesh K V   |
| CIN  | Corporate Identification Number of our Company i.e. U93090KL2018PLC052621   |
| Companies Act / Act                        | The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.   |

| Term                                     | Description  |
|--|--|
| “Committee(s)”                           | Duly constituted and re-constituted committee(s) of our Board of Directors, as described in “ <i>Our Management – Committees of the Board</i> ” on page 210.   |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Ms. Reshmi N K   |
| DIN                                      | Directors Identification Number.   |
| Director(s) / our Directors              | The Director(s) of our Company, unless otherwise specified.  |
| Equity Shares                            | Equity Shares of our Company of Face Value of ₹10/- each fully paid-up   |
| Equity Shareholders                      | Persons/ Entities holding Equity Shares of Our Company.  |
| Executive Directors                      | Executive Directors are the Managing Director, Whole Time Director and Director other than Non-Executive Independent Directors of our Company.   |
| Group Company                            | In terms of SEBI ICDR Regulations, the term “ <i>Group Company</i> ” includes companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on page 224 of this Draft Red Herring Prospectus |
| Independent Director(s)                  | Independent Directors on the Board, and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 202 of this Draft Red Herring Prospectus   |
| ISIN                                     | International Securities Identification Number. In this case being INE0XRR01010  |
| Key Management Personnel / KMP           | Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management-Key Managerial Personnel of our Company</i> ” beginning on page 215 of this Draft Red Herring Prospectus   |
| Key Performance Indicators” or “KPIs”    | Key financial and operational performance indicators of our Company, as included in “ <i>Basis for Issue Price</i> ” beginning on page 118.  |
| Materiality Policy                       | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 15, 2025 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 and as amended thereto.   |
| MD or Managing Director                  | The Managing Director of our Company being Mr. Ashraf P  |
| MOA / Memorandum of Association          | The Memorandum of Association of our Company, as amended from time to time   |
| Nomination and Remuneration Committee    | The Nomination and Remuneration Committee of our Company, constituted on September 29, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 202 of this Draft Red Herring Prospectus   |
| Non-Executive Director                   | A Director not being an Executive Director or is an Independent Director, as set out in “ <i>Our Management</i> ” beginning on page 236.   |
| NRIs / Non-Resident Indians              | A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.   |
| Peer Review Auditors                     | Auditor having a valid Peer Review certificate in our case being M/s. Vinay Bhushan & Associates, Chartered Accountants, having its office located at 726, 7th Floor, D Wing, Neelkanth Business Park, Near Bus Depot, Vidyavihar (West), Mumbai - 400086  |
| Person or Persons                        | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.  |
| Promoter(s)                              | Shall mean promoters of our Company i.e., Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekkattu. For further details, please refer to section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 218 of this Draft Red Herring Prospectus.  |
| Promoter Group                           | Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <i>Our</i>   |

| Term                                  | Description   |
|---------------------------------------|---|
|                                       | <i>Promoters and Promoter Group</i> ” beginning on page 218 of this Draft Red Herring Prospectus.   |
| Registered Office                     | The Registered Office of our Company Situated At 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala, India, 676519.   |
| RoC/ Registrar of Companies           | Registrar of Companies, Ernakulam, Corporate Bhawan, BMC Road, Thrikkakara, Kochi-682021, Kerala.   |
| Restated Financial Statements         | Restated Financial Statements for the period ended December 31, 2024 and Financial Years ended March 31, 2024, 2023, and 2022 prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act 2013, as amended, the SEBI ICDR Regulations, as amended and the Guidance Note on “ <i>Reports in Company Prospectuses (Revised 2019)</i> ” issued by ICAI, as amended) which comprises the restated summary Statement of Assets & Liabilities, the restated summary Statement of Profit and Loss and the restated summary Statement of Cash Flows along with all the schedules, annexures and notes thereto |
| Senior Management Personnel           | Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Management-Senior Management Personnel of our Company</i> ” beginning on page 202 of this Draft Red Herring Prospectus  |
| Shareholders                          | Equity Shareholders of our Company from time to time  |
| Stock Exchange                        | Unless the context requires otherwise, refers to, BSE   |
| Subscriber to MOA / Initial Promoters | Initial Subscriber to MOA & AOA being Mr. Ashraf P and Mr. Kunhimohamed P.  |
| Stakeholders Relationship Committee   | The Stakeholders’ Relationship Committee of our Company, constituted on September 29, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 202 of this Draft Red Herring Prospectus.  |
| Whole Time Director                   | Whole Time Director of our Company being Mr. Mohamedali Cheruparambil.  |

## KEY PERFORMANCE INDICATORS

| Key Financial Performance      | Explanations  |
|--------------------------------|---|
| Revenue from Operations        | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business. |
| EBITDA                         | EBITDA provides information regarding the operational efficiency of the business.   |
| EBITDA Margin                  | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.   |
| PAT                            | Profit after tax provides information regarding the overall profitability of the business.  |
| PAT Margin                     | PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.  |
| Return on Equity               | Return on equity (ROE) is a measure of financial performance.   |
| Return on Capital Employed     | Return on capital employed is a financial ratio that measures our company’s profitability in terms of all of its capital.   |
| Debt-Equity Ratio              | Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.   |
| Net Fixed Asset Turnover Ratio | Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.  |
| Current Ratio                  | The current ratio is a liquidity ratio that measures our company’s ability to pay short-term obligations or those due within one year.  |

## ISSUE RELATED TERMS

| Term                | Description  |
|---------------------|--|
| Abridged Prospectus | A memorandum containing such salient features of a Prospectus as may be specified by the SEBI in this regard |

| <b>Term</b>  | <b>Description</b>  |
|--|---|
| Acknowledgement Slip   | The slip or document to be issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application form.  |
| Allotment/Allot/Allotted   | Unless the context otherwise requires, allotment of the Equity shares by the Company, respectively pursuant to the Issue to in each case to Successful Bidders.   |
| Allotment Advice   | Note or advice or intimation of Allotment sent to each of the successful Bidders who have been or are to be allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges   |
| Allotment Date   | Date on which allotment is made   |
| Allottee (s)   | The successful bidder to whom the Equity Shares are being / have been allotted.   |
| Anchor Investor(s)   | A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs   |
| Anchor Investor Allocation Price                                 | The price at which Equity Shares will be allocated to the Anchor Investors during the Anchor Investor Bid Period in terms of the Red Herring Prospectus and the Prospectus, which will be determined by our Company in consultation with the Book Running Lead Manager  |
| Anchor Investor Application Form                                 | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and the Prospectus.   |
| Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date | The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.   |
| Anchor Investor Issue Price                                      | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be determined by our Company in consultation with the Book Running Lead Manager  |
| Anchor Investor Pay-in Date                                      | With respect to Anchor Investor(s), it shall be the Anchor Investor Bid/Issue Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Issue Price, not later than two Working Days after the Bid/ Issue Closing Date  |
| Anchor Investor Portion  | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.<br><br>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations      |
| Applicant/ Investor  | Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.  |
| Application Amount   | The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.   |
| Application Form   | The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.   |
| Application Supported by Blocked Amount or ASBA                  | An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism  |
| ASBA Account   | A bank account maintained by an ASBA Bidder with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidders linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidders Bidding through the UPI Mechanism |
| ASBA Applicant(s)  | Any prospective investors in the Issue who intend to submit the Application through the ASBA process  |

| Term  | Description  |
|---|--|
| ASBA Application / Application                    | An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus  |
| ASBA Bid  | A Bid made by an ASBA Bidder   |
| ASBA Bidders                                      | All Bidders except Anchor Investors  |
| ASBA Form   | A bid cum application form, whether physical or electronic, used by ASBA bidders to submit bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.   |
| Bankers to the Issue                              | Collectively, the Escrow Collection Bank, Refund Bank, Public Issue Account Bank and Sponsor Bank(s)   |
| Banker(s) to the Issue and Sponsor Bank Agreement | Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.  |
| Basis of Allotment                                | The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, described in “Issue Procedure” on page 322 of this Draft Red Herring Prospectus.  |
| Bid   | An indication to make an Issue during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.  |
| Bidding Centers                                   | Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.   |
| Bid Lot   | [●] Equity Shares and in multiples of [●] Equity Shares thereafter   |
| Bid / Issue Closing Date                          | <p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English daily newspaper, all editions of [●], the Hindi national daily newspaper and all editions of the [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation.</p> <p>In case of any revision, the revised Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s). Our Company in consultation with the Book Running Lead Manager, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations</p> |
| Bid/Issue Opening Date                            | <p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids which shall be notified in all editions of [●], an English daily newspaper, all editions of [●], the Hindi national daily newspaper and all editions of the [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation.</p> <p>In case of any revision, the revised Bid/ Issue Opening Date will also be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s)</p>   |

| <b>Term</b>                                | <b>Description</b>   |
|--|--|
| Bid/ Issue Period                          | <p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations provided that such period shall be kept open for a minimum of three Working Days.</p> <p>Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.</p> |
| Bidder/ Investor                           | Any prospective investor who makes a bid for Equity Shares in terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.   |
| Bid Amount                                 | The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of IBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue   |
| Bid cum Application Form                   | Anchor Investor Application Form or the ASBA Form, as the context requires   |
| Book Building Process                      | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations and as amended thereto from time to time, in terms of which the Issue is being made   |
| BRLM / Book Running Lead Manager           | The Book Running Lead Manager to the Issue, namely, Smart Horizon Capital Advisors Private Limited ( <i>Formerly Known as Shreni Capital Advisors Private Limited</i> )  |
| Broker Centers                             | Broker Centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )  |
| BSE SME                                    | SME Platform of BSE (BSE SME)  |
| Business Day                               | Monday to Friday (except public holidays).   |
| CAN / Confirmation of Allocation Note      | A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Issue Period  |
| Cap Price                                  | The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price  |
| Client Id                                  | Client Identification Number maintained with one of the Depositories in relation to demat account  |
| Collecting Depository Participants or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time   |
| Controlling Branches of the SCSBs          | Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.  |
| Cut-off Price                              | The Issue Price finalised by our Company in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Individual Bidders Bidding in the Individual Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price   |
| Demographic Details                        | The demographic details of the Bidders including the Bidders' address, name of the Bidders' father or husband, investor status, occupation, bank details, PAN and UPI ID, where applicable   |
| Depository / Depositories                  | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.  |

| <b>Term</b>                                  | <b>Description</b>  |
|--|---|
| Designated Date                              | On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Red Herring Prospectus.  |
| Designated Branches                          | Such branches of the SCSBs which shall collect the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=35</a> , or at such other website as may be prescribed by SEBI from time to time   |
| Designated CDP Locations                     | Such locations of the CDPs where relevant ASBA Bidders can submit the ASBA Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>  |
| Designated RTA Locations                     | Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>  |
| Designated Intermediaries / Collecting Agent | Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to IBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the issue.<br><br>In relation to ASBA Forms submitted by IBs Bidding in the individual Portion by authorising an SCSB to block the Bid Amount, Designated Intermediaries shall mean SCSBs.<br><br>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.<br><br>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs |
| Designated Market Maker                      | Rikhav Securities Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.   |
| Designated Stock Exchange                    | BSE Limited (SME exchange) (“BSE SME”)  |
| DP   | Depository Participant  |
| DP ID  | Depository Participant’s Identity Number  |
| Draft Red Herring Prospectus                 | This Draft Red Herring Prospectus dated May 07, 2025 issued in accordance with SEBI ICDR Regulations, 2018 and as amended thereto, which does not contain complete particulars of the price at which the Equity shares will be Allotted and the Size of the Issue, including any addenda or corrigenda thereto.   |
| Eligible FPI(s)                              | FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares  |
| Eligible NRI(s)                              | NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares   |
| Eligible QFIs                                | QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.   |
| Electronic Transfer of Funds                 | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.   |

| <b>Term</b>  | <b>Description</b>  |
|--|---|
| Escrow Account(s)  | The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour the Bidders (excluding the ASBA Bidders) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid   |
| Escrow Collection Bank(s)  | Bank(s), which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being, [●]  |
| FII / Foreign Institutional Investors                            | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.   |
| First Bidder/ Sole Bidder  | The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names   |
| Floor Price  | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted  |
| Fraudulent Borrower  | Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations  |
| Fresh Issue  | Fresh Issue of up to 16,20,000 Equity Shares aggregating up to ₹[●] Lakhs by our Company  |
| Fugitive Economic Offender                                       | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018  |
| Foreign Venture Capital Investors                                | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.   |
| FPI / Foreign Portfolio Investor                                 | A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended |
| General Information Document (GID)                               | The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, suitably modified and updated pursuant to, among others, the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Manager.        |
| GIR Number   | General Index Registry Number.  |
| Gross Proceeds   | The gross proceeds of the Fresh Issue which will be available to our Company  |
| Individual Bidder(s) or Individual Investor(s) or IB(s) or II(s) | minimum application size shall be two lots per application, such that the minimum application size shall be above ₹ 2 lakhs. (including HUFs applying through their Karta) and Eligible NRIs  |
| Individual Portion   | The portion of the Net Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares, who applies for minimum application size.  |
| IPO/ Issue/ Issue Size/ Public Issue                             | This Initial Public Offer of up to 16,20,000 Equity Shares for cash at an Issue Price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs  |
| Issue Agreement  | The agreement dated September 24, 2024 and addendum to Issue Agreement dated April 22, 2025 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.   |
| Issue Closing Date   | The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]  |
| Issue Opening Date   | The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]  |



| Term   | Description  |
|--|--|
| Issue Price                                  | The Price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹ [●] per equity share.   |
| Issue Period                                 | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their applications.   |
| Issue Size                                   | The Public Issue of up to 16,20,000 Equity shares of ₹10/- each at issue price of ₹ [●] per Equity share, including a premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs   |
| Issue Proceeds                               | Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 107 of this Draft Red Herring Prospectus   |
| Listing Agreement                            | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE   |
| Market Making Agreement                      | The Market Making Agreement dated November 08, 2024 and addendum to Market Maker Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.  |
| Market Maker Reservation Portion             | The reserved portion of Upto [●] Equity Shares of ₹10/- each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.  |
| Mobile App(s)                                | The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;inmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;inmId=40</a> or such other website as may be updated from time to time, which may be used by UPI applicants to submit Applications using the UPI Mechanism. The mobile applications which may be used by UPI applicants to submit Applications using the UPI Mechanism as provided under ‘Annexure A’ for the SEBI number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 |
| Mutual Funds                                 | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time   |
| Net Issue                                    | The Issue (excluding the Market Maker Reservation Portion) of up to [●] equity Shares of ₹ 10.00 each at a price of ₹ [●] per Equity Share (the “ <b>Issue Price</b> ”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.   |
| Net Proceeds                                 | The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.   |
| Net QIB Portion                              | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.   |
| Non-Institutional Investors/ Applicant       | Investors other than Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-  |
| Non-Resident/NR                              | A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI   |
| Other Investor                               | Investors other than Individual Investors. These include individual applicants other than individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.  |
| Overseas Corporate Body/ OCB                 | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.   |
| Pay-in-Period                                | The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.  |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable   |

| <b>Term</b>                          | <b>Description</b>  |
|--------------------------------------|---|
| Price Band                           | <p>The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including revisions thereof.</p> <p>The Price Band and the minimum Bid Lot for the Issue will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of the [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerela, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date and shall be available to the Stock Exchange for the purpose of uploading on their respective websites</p>   |
| Pricing Date                         | The date on which our Company in consultation with the Book Running Lead Manager, will finalise the Issue Price   |
| Promoters Contribution               | Aggregate of 20% of the post-issue Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations and amendments thereto, held by our Promoters, which shall be locked-in for a period of 3 years from the date of Allotment   |
| Prospectus                           | The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.   |
| Public Announcement                  | <p>The Draft Red Herring Prospectus filed with BSE will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, BSE SME's website and Book Running Lead Manager's website.</p> <p>Our Company will, within two working days of filing the Draft Red Herring Prospectus with BSE SME Exchange, make a public announcement in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of the [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerela, where our Registered Office is located), disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE SME Exchange, our Company or the Book Running Lead Manager(s) in respect of the disclosures made in this Draft Red Herring Prospectus.</p> |
| Public Issue Account                 | The 'no-lien' and 'non-interest bearing' bank account to be opened, in accordance with Section 40(3) of the Companies Act, with the Public Issue Account Bank to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date  |
| Public Issue Account Bank            | The banks which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being [●]  |
| Qualified Foreign Investors / QFIs   | Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.  |
| Qualified Institutional Buyers/ QIBs | A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.                          |

| <b>Term</b>                                 | <b>Description</b>   |
|---|--|
| QIB Portion                                 | The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price  |
| Red Herring Prospectus / RHP                | <p>The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, 2018 and as amended thereto, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.</p> |
| Refund Account (s)                          | The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made  |
| Refund Bank(s)                              | The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]  |
| Registered Broker                           | The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular no. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI  |
| Registrar Agreement                         | The agreement dated September 24, 2024 and addendum to Registrar Agreement dated April 07, 2025 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.  |
| Registrar/ Registrar to the Issue/RTA/ RTI  | Registrar to the Issue being Bigshare Services Private Limited.  |
| Resident Indian                             | A person resident in India, as defined under FEMA  |
| Revision Form                               | <p>The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable.</p> <p>QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Bidders, (subject to the minimum application size above ₹ 2.00 Lakhs) can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/Issue Closing Date</p>                 |
| Registrar and Share Transfer Agents or RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Bids from the relevant Bidders at the Designated RTA Locations in terms of SEBI circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI available on the websites of the Stock Exchange at <a href="http://www.bseindia.com">www.bseindia.com</a>  |
| Regulations                                 | SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.   |
| Reserved Category/ Categories               | Categories of persons eligible for making application under reservation portion.   |
| Reservation Portion                         | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018 and amendment thereto.   |
| SCORES                                      | SEBI Complaints Redress System   |

| Term  | Description   |
|---|---|
| Self-Certified Syndicate Bank(s) / SCSB(s)          | <p>The banks registered with SEBI, offering services, (a) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=35</a>, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=40</a> or such other website as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=35</a> and updated from time to time.</p> <p>For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=35</a> as updated from time to time. In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intId=43</a> respectively, as updated from time to time</p> |
| SEBI Listing Regulations                            | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015  |
| SME Exchange  | SME Platform of the BSE i.e., BSE SME   |
| Specified Locations                                 | The Bidding Centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.   |
| Sponsor Bank  | Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the UPI Bidders using the UPI Mechanism, and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●].   |
| Sub-Syndicate Members                               | The sub-syndicate members, if any, appointed by the Book Running Lead Managers and the Syndicate Members, to collect ASBA Forms and Revision Forms  |
| Syndicate Agreement                                 | Syndicate agreement to be entered into between our Company, the Registrar and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate.   |
| Syndicate Member(s)                                 | Intermediaries (other than the Book Running Lead Manager) registered with SEBI who are permitted to carry out activities as an underwriter, namely [●]  |
| Syndicate or members of the Syndicate               | The Book Running Lead Managers and the Syndicate Members  |
| Systemically Important Nonbanking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations   |
| Transaction Registration Slip/ TRS                  | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application  |
| Underwriters  | The Underwriters in this case are Smart Horizon Capital Advisors Private Limited  |

| <b>Term</b>                      | <b>Description</b>   |
|----------------------------------|--|
| Underwriting Agreement           | The Agreement dated November 08, 2024 and addendum to Underwriting Agreement dated April 07, 2025 entered between our Company and the Underwriters, on or after the Pricing Date, but prior to filing the Prospectus with the RoC  |
| Unified Payments Interface (UPI) | Unified payments interface which is an instant payment mechanism, developed by NPCI  |
| UPI Bidders                      | Collectively, individual investors applying as (i) Individual Bidders in the Individual Portion, and (ii) Non-Institutional Bidders with a Bid size of up to ₹5.00 lakhs in the Non- Institutional Portion, and applying under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 using UPI Mechanism, shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)  |
| UPI Circulars                    | The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard. |
| UPI ID                           | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)   |
| UPI Mandate Request              | A request (intimating the UPI Bidder by way of a notification on the UPI-linked mobile application and by way of a SMS for directing the UPI Bidder to such UPI mobile application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment   |
| UPI mechanism                    | Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars   |
| UPI PIN                          | Password to authenticate UPI transaction   |
| U.S. Securities Act              | U.S. Securities Act of 1933, as amended  |
| Wilful Defaulter                 | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations  |

| Term        | Description  |
|-------------|--|
| Working Day | All days, on which commercial banks in Malappuram, Kerala are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, the term “Working Day” shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Malappuram, Kerala 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 Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars |

#### INDUSTRY RELATED TERMS

| Term   | Description   |
|--------|---|
| 3D     | Three-Dimensional                                       |
| AAY    | Antyodaya Anna Yojana                                   |
| ACC    | Advanced Chemistry Cell                                 |
| AI     | Artificial Intelligence                                 |
| AIC    | Atal Incubation Centre                                  |
| AM     | Ante Meridiem (used here as part of LBMA reference)     |
| AMFI   | Association of Mutual Funds in India                    |
| ANSI   | American National Standards Institute                   |
| API    | Active Pharmaceutical Ingredients                       |
| AR     | Augmented Reality                                       |
| ASTM   | American Society for Testing and Materials              |
| AUM    | Assets Under Management                                 |
| AWS    | Amazon Web Services                                     |
| B2B    | Business-to-Business                                    |
| B2C    | Business-to-Consumer                                    |
| BGs    | Bank Guarantees   |
| bn     | Billion   |
| BOM    | Bill of Materials                                       |
| CAD    | Current Account Deficit                                 |
| CAM    | Computer-Aided Manufacturing                            |
| CAPEX  | Capital Expenditures                                    |
| CEPA   | Comprehensive Economic Partnership Agreement            |
| CG     | Crompton Greaves  |
| CMM    | Capability Maturity Model                               |
| CNC    | Computer Numerical Control                              |
| CO2    | Carbon Dioxide  |
| CPS    | Cyber-Physical Systems                                  |
| CRISIL | Credit Rating Information Services of India Limited     |
| CSR    | Corporate Social Responsibility                         |
| CU     | Capacity Utilization                                    |
| DII    | Domestic Institutional Investors                        |
| DPIIT  | Department for Promotion of Industry and Internal Trade |
| DPP    | Defence Procurement Procedure                           |
| ECTA   | Economic Cooperation and Trade Agreement                |
| EHS    | Environment, Health, and Safety                         |

|          |   |
|----------|---|
| EOL      | End of Life                                       |
| EPFO     | Employees' Provident Fund Organization            |
| ERP      | Enterprise Resource Planning                      |
| ESDM     | Electronics System Design and Manufacturing       |
| ESG      | Environmental, Social, and Governance             |
| ETF      | Exchange-Traded Fund                              |
| EV       | Electric Vehicle                                  |
| FDI      | Foreign Direct Investment                         |
| FIFO     | First In, First Out                               |
| FPI      | Foreign Portfolio Investors                       |
| FTA      | Free Trade Agreement                              |
| FY       | Financial Year                                    |
| g        | Grams   |
| GDP      | Gross Domestic Product                            |
| GHG      | Greenhouse Gas                                    |
| GST      | Goods and Services Tax                            |
| GVA      | Gross Value Added                                 |
| HFIs     | High-Frequency Indicators                         |
| IaaS     | Infrastructure as a Service                       |
| ICAR     | Indian Council of Agricultural Research           |
| ICE BofA | ICE Bank of America                               |
| ICT      | Information and Communication Technology          |
| IDDM     | Indigenously Designed, Developed and Manufactured |
| IESA     | India Electronics and Semiconductor Association   |
| IIoT     | Industrial Internet of Things                     |
| IIP      | Index of Industrial Production                    |
| IMF      | International Monetary Fund                       |
| INR      | Indian Rupee                                      |
| IoT      | Internet of Things                                |
| IP       | Intellectual Property                             |
| IPP      | Intellectual Property Protection                  |
| ISO      | International Organization for Standardization    |
| IT       | Information Technology                            |
| JIT      | Just-In-Time                                      |
| KPI      | Key Performance Indicator                         |
| KSM      | Key Starting Materials                            |
| LBMA     | London Bullion Market Association                 |
| LEED     | Leadership in Energy and Environmental Design     |
| LIFO     | Last In, First Out                                |
| m/m      | Month-over-month                                  |
| MCX      | Multi Commodity Exchange of India                 |
| MES      | Manufacturing Execution System                    |
| MITRA    | Mega Investment Textiles Parks                    |
| ML       | Machine Learning                                  |
| MMF      | Man-Made Fibre                                    |
| MoU      | Memorandum of Understanding                       |
| MPC      | Monetary Policy Committee                         |

|                |   |
|----------------|---|
| MRP            | Material Requirements Planning  |
| M-SIPS         | Modified Special Incentive Package Scheme   |
| MSME           | Micro, Small, and Medium Enterprises  |
| NABARD         | National Bank for Agriculture and Rural Development                               |
| NPD            | New Product Development   |
| OEM            | Original Equipment Manufacturer   |
| OPEC           | Organization of the Petroleum Exporting Countries                                 |
| OPEX           | Operating Expenditures  |
| OSHA           | Occupational Safety and Health Administration                                     |
| OTC            | Over-the-Counter  |
| oz             | Ounce   |
| PaaS           | Platform as a Service   |
| PECF           | Pondicherry Engineering College Foundation  |
| PE-VC          | Private Equity-Venture Capital  |
| PHH            | Primary Household   |
| PLC            | Programmable Logic Controller   |
| PLI            | Production-Linked Incentive   |
| PM             | Post Meridiem (used here as part of LBMA reference)                               |
| PM GatiShakti  | Prime Minister GatiShakti Master Plan   |
| PM-DevINE      | Prime Minister's Development Initiative for North-East Region                     |
| PMGKAY         | Pradhan Mantri Garib Kalyan Anna Yojana   |
| PMI            | Purchasing Managers' Index  |
| PMKVY          | Pradhan Mantri Kaushal Vikas Yojana   |
| PM-VISHWAKARMA | Prime Minister VISHWAKARMA Scheme   |
| PPA            | Power Purchase Agreement  |
| PPM            | Parts Per Million   |
| Q1, Q2, Q3, Q4 | Quarter 1, Quarter 2, Quarter 3, Quarter 4  |
| QA             | Quality Assurance   |
| QC             | Quality Control   |
| R&D            | Research and Development  |
| RBI            | Reserve Bank of India   |
| REACH          | Registration, Evaluation, Authorisation, and Restriction of Chemicals             |
| RFID           | Radio Frequency Identification  |
| ROHS           | Restriction of Hazardous Substances   |
| ROI            | Return on Investment  |
| Rs.            | Indian Rupee  |
| S&P BSE        | S&P Bombay Stock Exchange   |
| SaaS           | Software as a Service   |
| SCM            | Supply Chain Management   |
| SEBI           | Securities and Exchange Board of India  |
| SEED           | Scheme for Economic Empowerment of Denotified Tribes                              |
| SEMI           | Semiconductor Equipment and Materials International                               |
| SEZ            | Special Economic Zone   |
| SME            | Small and Medium-sized Enterprises  |
| SPC            | Statistical Process Control   |
| SPECS          | Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors |
| STT            | Short-term Training   |



|       |                                     |
|-------|-------------------------------------|
| SUV   | Sports Utility Vehicle              |
| t     | Tonnes                              |
| TCO   | Total Cost of Ownership             |
| TPM   | Total Productive Maintenance        |
| TQM   | Total Quality Management            |
| TTDF  | Telecom Technology Development Fund |
| US\$  | United States Dollar                |
| USD   | United States Dollar                |
| USOF  | Universal Service Obligation Fund   |
| VR    | Virtual Reality                     |
| WEO   | World Economic Outlook              |
| WIP   | Work in Progress                    |
| WTO   | World Trade Organization            |
| y/y   | Year-over-year                      |
| y-t-d | Year-to-date                        |

#### CONVENTIONAL TERMS /ABBREVIATIONS

| Term   | Description  |
|--|--|
| AS / Accounting Standard                                   | Accounting Standards as issued by the Institute of Chartered Accountants of India  |
| A/c  | Account  |
| ACS  | Associate Company Secretary  |
| AGM  | Annual General Meeting   |
| ASBA   | Applications Supported by Blocked Amount   |
| Amt  | Amount   |
| AIF  | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| AY   | Assessment Year  |
| AOA  | Articles of Association  |
| Approx   | Approximately  |
| B. A   | Bachelor of Arts   |
| BBA  | Bachelor of Business Administration  |
| B. Com   | Bachelor of Commerce   |
| B. E   | Bachelor of Engineering  |
| B. Sc  | Bachelor of Science  |
| B. Tech  | Bachelor of Technology   |
| Bn   | Billion  |
| BG/LC  | Bank Guarantee / Letter of Credit  |
| BIFR   | Board for Industrial and Financial Reconstruction  |
| BRLM   | Book Running Lead Manager  |
| BSE  | BSE Limited  |
| BSE SENSEX   | Sensex in an index; market indicator of the position of stock that is listed in the BSE  |
| Banking Regulation Act                                     | The Banking Regulation Act, 1949   |
| CDSL   | Central Depository Services (India) Limited  |
| CAGR   | Compounded Annual Growth Rate  |
| CAN  | Confirmation of Allocation Note  |
| Category I Alternate Investment Fund / Category I AIF      | AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations  |
| Category I Foreign Portfolio Investor(s) / Category I FPIs | FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations   |
| Category II Alternate Investment Fund / Category II AIF    | AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations   |

| Term   | Description   |
|--|---|
| Category II Foreign Portfolio Investor(s) / Category II FPIs | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations   |
| Category III Alternate Investment Fund / Category III AIF    | AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations   |
| CA   | Chartered Accountant  |
| CB   | Controlling Branch  |
| CDSL   | Central Depository Services (India) Limited   |
| CC   | Cash Credit   |
| CIN  | Corporate Identification Number   |
| CIT  | Commissioner of Income Tax  |
| CNC  | Computerized Numerical Control  |
| CS   | Company Secretary   |
| CSR  | Corporate social responsibility.  |
| CFA  | Chartered Financial Analyst   |
| CS & CO  | Company Secretary & Compliance Officer  |
| CFO  | Chief Financial Officer   |
| CENVAT   | Central Value Added Tax   |
| CIBIL  | Credit Information Bureau (India) Limited   |
| CST  | Central Sales Tax   |
| Cm <sup>3</sup>  | Cubic Centimeter  |
| CMD  | Chairman and Managing Director  |
| COVID – 19   | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020  |
| CWA/ICWA/CMA   | Cost and Works Accountant   |
| Companies Act  | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification |
| Depository or Depositories                                   | NSDL and CDSL.  |
| DIN  | Director Identification Number  |
| DIPP   | Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India  |
| DP   | Depository Participant  |
| DP ID  | Depository Participant’s Identification Number  |
| EBITDA   | Earnings Before Interest, Taxes, Depreciation & Amortisation  |
| ECS  | Electronic Clearing System  |
| ESIC   | Employee’s State Insurance Corporation  |
| EPFO   | Employees’ Provident Fund Organization  |
| EPF Act  | The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952   |
| EPS  | Earnings Per Share  |
| EGM /EOGM  | Extraordinary General Meeting   |
| ESOP   | Employee Stock Option Plan  |
| EXIM/ EXIM Policy  | Export – Import Policy  |
| FCNR Account   | Foreign Currency Non-Resident Account   |
| FIPB   | Foreign Investment Promotion Board  |
| FY / Fiscal/Financial Year                                   | Financial Year shall have the same meaning as assigned to it under sub-section (41) of section 2 of the Companies Act, 2013   |
| FEMA   | Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.   |
| FEMA Regulations   | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017  |
| FCNR Account   | Foreign Currency Non-Resident Account   |
| FBT  | Fringe Benefit Tax  |
| FDI  | Foreign Direct Investment   |
| FIs  | Financial Institutions  |
| FIIIs  | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India   |

| <b>Term</b>                            | <b>Description</b>   |
|--|--|
| FPIs                                   | Foreign Portfolio Investors as defined under the SEBI FPI Regulations.   |
| FTA                                    | Foreign Trade Agreement.   |
| FVCI                                   | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.   |
| FV                                     | Face Value   |
| g                                      | Grams  |
| GOI/Government                         | Government of India  |
| GDP                                    | Gross Domestic Product   |
| GAAP                                   | Generally Accepted Accounting Principles in India  |
| GST                                    | Goods and Service Tax  |
| GCC                                    | Gulf Cooperation Council   |
| GVA                                    | Gross Value Added  |
| HNI                                    | High Net Worth Individual  |
| HUF                                    | Hindu Undivided Family   |
| ICAI                                   | The Institute of Chartered Accountants of India  |
| ICAI/ICMAI (Previously known as ICWAI) | The Institute of Cost Accountants of India   |
| IMF                                    | International Monetary Fund  |
| INR / ₹/ Rupees/Rs.                    | Indian Rupees, the legal currency of the Republic of India   |
| IIP                                    | Index of Industrial Production   |
| IPO                                    | Initial Public Offer   |
| ICSI                                   | The Institute of Company Secretaries of India  |
| IFRS                                   | International Financial Reporting Standards  |
| i.e.                                   | That is  |
| I.T. Act                               | Income Tax Act, 1961, as amended from time to time   |
| IT Authorities                         | Income Tax Authorities   |
| IT Rules                               | Income Tax Rules, 1962, as amended, except as stated otherwise   |
| Indian GAAP                            | Generally Accepted Accounting Principles in India  |
| IRDA                                   | Insurance Regulatory and Development Authority   |
| K                                      | Karat  |
| KMP                                    | Key Managerial Personnel   |
| KW                                     | Kilo Watt  |
| Ltd.                                   | Limited  |
| MAT                                    | Minimum Alternate Tax  |
| MCA                                    | Ministry of Corporate Affairs, Government of India   |
| MoF                                    | Ministry of Finance, Government of India   |
| M-o-M                                  | Month-On-Month   |
| MOU                                    | Memorandum of Understanding  |
| M. A                                   | Master of Arts   |
| M. B. A                                | Master of Business Administration  |
| M. Com                                 | Master of Commerce   |
| mm                                     | Milimeter  |
| Mn                                     | Million  |
| M. E                                   | Master of Engineering  |
| MRP                                    | Maximum Retail Price   |
| M. Tech                                | Masters of Technology  |
| Merchant Banker                        | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992   |
| MAPIN                                  | Market Participants and Investors Database   |
| MSMEs                                  | Micro, Small and medium Enterprises  |
| MoA                                    | Memorandum of Association  |
| NA                                     | Not Applicable   |
| Networth                               | The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account |
| NEFT                                   | National Electronic Funds Transfer   |
| NECS                                   | National Electronic Clearing System  |
| NAV                                    | Net Asset Value  |

| Term                                       | Description   |
|--|---|
| NPV  | Net Present Value   |
| NRI  | Non-Resident Indians  |
| NRE Account                                | Non-Resident External Account   |
| NRO Account                                | Non-Resident Ordinary Account   |
| NSE  | National Stock Exchange of India Limited  |
| NOC  | No Objection Certificate  |
| NSDL                                       | National Securities Depository Limited  |
| OCB  | Overseas Corporate Bodies   |
| P.A.                                       | Per Annum   |
| PF   | Provident Fund  |
| PG   | Post Graduate   |
| PAC  | Persons Acting in Concert   |
| P/E Ratio                                  | Price/Earnings Ratio  |
| PAN  | Permanent Account Number  |
| PAT  | Profit After Tax  |
| PBT  | Profit Before Tax   |
| PLI  | Postal Life Insurance   |
| POA  | Power of Attorney   |
| PSU  | Public Sector Undertaking(s)  |
| Pvt.                                       | Private   |
| RBI  | The Reserve Bank of India   |
| ROE  | Return on Equity  |
| R&D  | Research & Development  |
| RONW                                       | Return on Net Worth   |
| RTGS                                       | Real Time Gross Settlement  |
| SCRA                                       | Securities Contracts (Regulation) Act, 1956, as amended from time to time   |
| SCRR                                       | Securities Contracts (Regulation) Rules, 1957, as amended from time to time   |
| SCSB                                       | Self-Certified Syndicate Banks  |
| SEBI                                       | Securities and Exchange Board of India  |
| SEBI Act                                   | The Securities and Exchange Board of India Act, 1992  |
| SEBI AIF Regulations                       | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time  |
| SEBI FII Regulations                       | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time  |
| SEBI FPI Regulations                       | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time  |
| SEBI FVCI Regulations                      | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time   |
| SEBI ICDR Regulations                      | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time                             |
| “SEBI ICDR (Amendment) Regulations, 2025”  | SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025 through the SEBI Notification no. SEBI/LAD-NRO/GN/2025/233 dated March 03, 2025 |
| SEBI Insider Trading Regulations           | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.  |
| SEBI LODR Regulations                      | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time                          |
| SEBI (PFUTP) Regulations/PFUTP Regulations | SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003  |
| SEBI SAST Regulations                      | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time                          |
| SEBI VCF Regulations                       | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended                              |
| SICA                                       | Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time  |
| SME  | Small and Medium Enterprises  |
| STT  | Securities Transaction Tax  |
| Sec.                                       | Section   |

| <b>Term</b>                | <b>Description</b>  |
|----------------------------|---|
| SPV                        | Special Purpose Vehicle   |
| Takeover Regulations       | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011  |
| TAN                        | Tax Deduction Account Number  |
| TDS                        | Tax Deducted at Source  |
| TRS                        | Transaction Registration Slip   |
| TIN                        | Taxpayers Identification Number   |
| US/United States           | United States of America  |
| UPI                        | Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by individual investors through SCSBs |
| USD/ US\$/ \$              | United States Dollar, the official currency of the United States of America   |
| VCF / Venture Capital Fund | Foreign Venture Capital Funds as defined under the SEBI AIF Regulations   |
| VAT                        | Value Added Tax   |
| W                          | Watt  |
| w.e.f.                     | With effect from  |
| WIP                        | Work in process   |
| Willful Defaulter          | An entity or person categorized as a willful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations                                    |
| YoY                        | Year over Year  |

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

*Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.*

## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

All references to “India” contained in this Draft Red Herring Prospectus 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. All references to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”).

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### FINANCIAL DATA

Unless stated otherwise or context otherwise requires, the financial information in this Draft Red Herring Prospectus are derived from the Restated Financial Statements. The Restated Financial Statements comprises of the restated statement of assets and liabilities for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023, March 31, 2022 and the restated statement of profit and loss and the restated statement of cash flows for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of significant accounting policies and explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information, see please refer section titled “*Restated Financial Statements*” beginning on page 227 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular FY, Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

There are significant differences between Ind AS, Generally Accepted Accounting Principles in the United States of America (the “**U.S. GAAP**”) and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you 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 Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, IGAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.*” on page 68.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 35, 153 and 273 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the “*Restated Financial statements*” of our Company as beginning on page 227 of this Draft Red Herring Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America, EUR or “€” are Euro currency.

All references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “Million/Mio” means “Ten Lakhs” and the word “Crore” means “Ten Million/Mio” and the word “Billion” means “One thousand Million/Mio”.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or any of their affiliates or advisors. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on pages 35. Accordingly, investment decisions should not be based solely on such information.

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

## EXCHANGE RATES

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into 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, 2024 | Exchange Rate as on March 28, 2024 | Exchange Rate as on March 31, 2023 | Exchange Rate as on March 31, 2022 |
|----------|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 1 USD    | 85.62                                 | 83.37                              | 82.22                              | 75.81                              |
| 1 EURO   | 89.08                                 | 90.21                              | 89.60                              | 84.65                              |

**Note:** If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

Source: <https://www.rbi.org.in/scripts/referenceratearchive.aspx>

## DEFINITIONS

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 346 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

Further the 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 industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India 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, regulations, taxes, changes in competition in our industry and incidents of any natural calamities and/or acts of violence.. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Disruption in the stock market in India or Globally.
- Any slowdown or shutdown in our manufacturing operations;
- Inability to accurately manage our inventory, this may adversely affect our goodwill and business, financial condition and results of operations;
- Dependency on third-party transportation providers for the supply of raw materials and delivery of our finished products;
- Delay in order placing for the purchase of equipment;
- Failure to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability;
- Our ability to attract, retain and manage skilled qualified personnel;
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations;
- Conflict of interests between our Company and other venture or enterprises promoted by our promoter or directors;
- Volatility of loan interest rates and inflation;
- Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations;



- Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations;
- Our inability to maintain or improve our brand image;
- A slowdown in economic growth in India could cause our business to suffer;
- Global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects;

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 35, 153, and 273 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimating 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.

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

Forward-looking statements reflect the current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the Book Running Lead Manager, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and Directors, will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Equity Shares pursuant to the Issue.

## SECTION II - SUMMARY OF OFFER DOCUMENT

*The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Issue Procedure” and “Main Provisions of The Articles Of Association” on pages 35, 75, 91, 107, 130, 153, 218, 227, 270, 283, 322 and 346, respectively.*

### SUMMARY OF OUR BUSINESS

Our Company is primarily engaged in the business of manufacturing and designing the wide range of wholesale Gold Jewelleries which includes plain gold, studded and named jewelleries available in 22karat and 18Karat. Our Company manufacturers the finished gold jewelleries from the raw gold i.e. bullions and required consumables and sell it to dealers, showrooms, corporates and small jewellery shops in the wholesale quantities. We provide an extensive range of jewellery designs of plain gold, rose gold, the jewelleries studded with Cubic Zircon and / or coloured stones and named jewelleries customized and designed in detail, keeping in mind the customer’s unique preferences and requirements. Our Company manufactures jewelleries for three categories of Individuals men, women and children.

For more details, please refer chapter titled “*Our Business*” beginning on page 153 of this Draft Red Herring Prospectus.

### SUMMARY OF OUR INDUSTRY

The gold industry is a global market encompassing gold mining, processing, refining, and trading, driven by demand for jewellery, investment, central bank reserves, and technology. Our Company is primarily engaged in the business of manufacturing and designing the wide range of wholesale Gold Jewelleries which includes plain gold, studded and named jewelleries available in 22Karat and 18Karat. Our Company manufacturers the finished gold jewelleries from the raw gold i.e. bullions and required consumables and sell it to dealers, showrooms, corporates and small jewellery shops in the wholesale quantities. Globally the gold demand has hit a new record in 2024. Annual Consumption of Gold jewellery was the clear outlier as it dropped 11% to 1,877t as consumers could only afford to buy in lower quantities. Nonetheless, spend on gold jewellery jumped 9% to US\$144bn.

For more details, please refer chapter titled “*Industry Overview*” beginning on page 130 of this Draft Red Herring Prospectus.

### OUR PROMOTERS

The promoters of our company are Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekkattu.

For detailed profile of our Promoters, please see chapter titled “*Our Promoters and Promoter Group*” beginning on page 218 of this Draft Red Herring Prospectus.

### BOARD OF DIRECTORS

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

| Name                          | Designation                        |
|-------------------------------|------------------------------------|
| Mr. Ashraf P                  | Chairman & Managing Director       |
| Mr. Mohamedali Cheruparambil  | Whole Time Director                |
| Ms. Fathima Jasna Kottekkattu | Executive Director                 |
| Mr. Afnas                     | Non-Executive Independent Director |
| Mr. Anoop V                   | Non-Executive Independent Director |
| Mr. Ganesh Ramani             | Non-Executive Independent Director |
| Mr. Thajudheen Valakkundil    | Non-Executive Independent Director |

For detailed profile of our Directors, please see chapter titled “*Our Management*” beginning on page 202 of this Draft Red Herring Prospectus.

## KEY MANAGERIAL PERSONNEL (KMP)

As on the date of this Draft Red Herring Prospectus, the KMP of our Company comprises of the following:

| Name                         | Designation                              |
|------------------------------|--|
| Mr. Ashraf P                 | Chairman & Managing Director             |
| Mr. Mohamedali Cheruparambil | Whole Time Director                      |
| Mr. Mahesh K V               | Chief Financial Officer                  |
| Ms. Reshmi N K               | Company Secretary and Compliance Officer |

For detailed profile of our Key Managerial Personnel, please see chapter titled “Our Management” beginning on page 202 of this Draft Red Herring Prospectus.

## SIZE OF ISSUE

The following table summarizes the details of the Issue. For further details, see “The Issue” and “Issue Structure” beginning on pages 75 and 317, respectively.

|   |  |
|---|--|
| <b>Issue of Equity Shares<sup>1&amp;2</sup></b> | Up to 16,20,000 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity share (including a premium of [●] per Equity Share) aggregating to ₹ [●] Lakhs |
| <b>Of which:</b>                                |  |
| <b>Market Maker Reservation Portion</b>         | Up to [●] Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs  |
| <b>Net Issue</b>                                | Up to [●] Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs  |

- The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations and amendments thereto read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.*
- The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 24, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on September 25, 2024 at shorter notice.*

The Issue and Net Issue shall constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in Lakhs)

| Sr. No | Particulars  | Amount |
|--------|--|--------|
| 1.     | Funding of capital expenditure requirements for purchase of new Equipment by our Company | 262.55 |
| 2.     | Repayment/prepayment of all or certain of our borrowings availed of by our Company       | 800.00 |
| 3.     | General corporate purposes <sup>#</sup>  | [●]    |
|        | <b>Total*</b>  | [●]    |

*\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

*<sup>#</sup>The amount utilized for general corporate purpose shall not exceed fifteen percent of the amount being raised by our Company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 and as amended thereto..*

For further details, please refer to chapter titled “Objects of the Issue” beginning on page 107 of this Draft Red Herring Prospectus.

## PRE-ISSUE AND POST-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF OUR COMPANY

The aggregate pre-Issue and post-issue shareholding of Promoters and Promoter Group as a percentage of the paid-up share capital of the Company as on the date of this Draft Red Herring Prospectus is set out below:

| Category                      | Pre-Issue        |                        | Post-Issue    |                         |
|-------------------------------|------------------|------------------------|---------------|-------------------------|
|                               | No. of Shares    | % of Pre-Issue Capital | No. of Shares | % of Post-Issue Capital |
| <b>Promoter</b>               |                  |                        |               |                         |
| Mr. Ashraf P                  | 16,58,630        | 37.29%                 | [●]           | [●]                     |
| Mr. Kunhimohamed P            | 12,37,500        | 27.82%                 | [●]           | [●]                     |
| Ms. Fathima Jasna Kottekkattu | 2,15,400         | 4.84%                  | [●]           | [●]                     |
| <b>Promoter Group</b>         |                  |                        |               |                         |
| Ms. Asya                      | 3,06,770         | 6.90%                  | [●]           | [●]                     |
| <b>Total</b>                  | <b>34,18,300</b> | <b>76.85%</b>          | <b>[●]</b>    | <b>[●]</b>              |

For further details of the Issue, see “Capital Structure” beginning on page 91 of this Draft Red Herring Prospectus.

#### SHAREHOLDING PATTERN OF OUR PROMOTERS/PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ADVERTISEMENT AND ALLOTMENT:

| S. No.                             | Pre-Issue shareholding as at the date of Advertisement <sup>(2)</sup> |                         |                      | Post-Issue shareholding as at Allotment <sup>(3)</sup> |                      |   |                      |
|------------------------------------|---|-------------------------|----------------------|--|----------------------|---|----------------------|
|                                    | Shareholders  | Number of Equity Shares | Share holding (in %) | At the lower end of the price band (₹[●])              |                      | At the upper end of the price band (₹[●]) |                      |
|                                    |   |                         |                      | Number of Equity Shares                                | Share holding (in %) | Number of Equity Shares                   | Share holding (in %) |
| Promoters                          |   |                         |                      |  |                      |   |                      |
| 1.                                 | Mr. Ashraf P  | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |
| 2.                                 | Mr. Kunhimohamed P  | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |
| 3.                                 | Ms. Fathima Jasna Kottekkattu   | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |
| Promoter Group <sup>(1)</sup>      |   |                         |                      |  |                      |   |                      |
| 4.                                 | Ms. Asya  | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |
| Top 10 Shareholders <sup>(4)</sup> |   |                         |                      |  |                      |   |                      |
| 5.                                 | Mr. Sharafali   | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |
| 6.                                 | Mr. Abdulbasith Pari  | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |
| 7.                                 | Mr. Abdul Rasik Karumanni   | [●]                     | [●]                  | [●]  | [●]                  | [●]                                       | [●]                  |

#### Notes:

- 1) The Promoter Group Shareholder is Ms. Asya;
- 2) Pre-Issue shareholding as at the date of Advertisement shall be updated at the time of filing the Prospectus;
- 3) Based on the Issue Price of ₹ [●] and subject to finalization of the basis of allotment.
- 4) As on the date of this Draft Red Herring Prospectus, we have total 7 (seven) shareholders, out of which only 3 are Public Shareholders.

#### SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details are as follows:

| Particulars  | For the period ended December 31, 2024 | For the year ended March 31 |           |           |
|--|--|-----------------------------|-----------|-----------|
|  |  | 2024                        | 2023      | 2022      |
| Equity Share Capital   | 444.84                                 | 444.84                      | 284.32    | 284.32    |
| Net worth <sup>#</sup>   | 1,389.74                               | 1,204.42                    | 711.96    | 508.07    |
| Total Revenue <sup>\$</sup>  | 17,552.73                              | 24,684.14                   | 19,424.78 | 12,739.68 |
| Restated profit/(loss) after tax                                   | 185.32                                 | 331.94                      | 203.89    | 126.19    |
| Earnings per share (Basic & diluted) (Post Split) (₹) <sup>@</sup> | 4.17                                   | 8.24                        | 7.17      | 4.44      |
| Net Asset Value per Equity Share (Post Split) (₹) <sup>*</sup>     | 31.24                                  | 29.88                       | 25.04     | 17.87     |
| Total borrowings <sup>^</sup>                                      | 1,841.40                               | 2,248.30                    | 2,623.39  | 660.61    |

(₹ in lakhs other than share data)

#Net Worth = Restated Equity Share Capital plus Restated Reserves & Surplus

\$Total Revenue = Restated Revenue from operations plus Restated Other Income

@ Earnings per share (Basic & diluted) = Restated profit after tax for the period divided by Restated number of Equity Shares outstanding during the period

\*Net Asset Value per Equity Share = Restated Net worth divided by Restated number of Equity Shares outstanding during the period

^Total Borrowings = Restated Long-Term Borrowings plus Restated Short Term Borrowings

**Note:** Pursuant to a resolution passed by our Board on February 02, 2024 and a Special resolution passed by the Shareholders on March 11, 2024, each Equity Shares of face value of ₹100/- each has been split into 10 Equity Shares of face value of ₹10/- each.

## QUALIFICATIONS OF AUDITORS

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Statements.

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors, KMPs, SMPs and our Group Company as on the date of this Draft Red Herring Prospectus is provided below:

| Name of Entity                    | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (₹ in Lakhs) |
|-----------------------------------|----------------------|-----------------|-------------------------------------|---|----------------------------|--|
| <b>Company</b>                    |                      |                 |                                     |   |                            |  |
| By the Company                    | NA                   | NA              | NA                                  | NA  | 1                          | 31.35                                  |
| Against the Company               | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| <b>Directors/ KMPs/ SMPs</b>      |                      |                 |                                     |   |                            |  |
| By our Directors/ KMPs/ SMPs      | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| Against the Directors/ KMPs/ SMPs | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| <b>Promoters</b>                  |                      |                 |                                     |   |                            |  |
| By Promoters                      | 1                    | NA              | NA                                  | NA  | NA                         | 7.04                                   |
| Against Promoters                 | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| <b>Subsidiaries</b>               |                      |                 |                                     |   |                            |  |
| By Subsidiaries                   | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| Against Subsidiaries              | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| <b>Group Companies</b>            |                      |                 |                                     |   |                            |  |
| By Group Companies                | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |
| Against Group Companies           | NA                   | NA              | NA                                  | NA  | NA                         | NA                                     |

### Brief details of top 5 Criminal Case against our Promoters:

| Sr. No. | Particulars | Litigation filed by | Current status | Amount involved |
|---------|-------------|---------------------|----------------|-----------------|
| 1       | NA          | NA                  | NA             | NA              |

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 283 of this Draft Red Herring Prospectus.

## RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 35 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As per Restated Financial Statements, no contingent liability exists for the period ended December 31, 2024 and for the financial years ended on March 31, 2024, 2023 and 2022. For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 227 of this Draft Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 “Related Party Disclosures” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18:

### Annexure-XXX- Statement of Related Party Transactions:

#### A. List of Related Parties where Control exists and Relationships:

| Name of the Related Party     | Designation                              | Relationship   |
|-------------------------------|--|--|
| Mr. Ashraf P                  | Promoter, Chairman and Managing Director | Directors, Promoters and Key Management Personnel (KMP)              |
| Mr. Mohamedali Cheruparambil  | Whole Time Director                      |  |
| Mr. Kunhimohamed P*           | Promoter                                 |  |
| Mr. Kunhimoidu*               | Director                                 |  |
| Ms. Reshmi N K                | Company Secretary and Compliance Officer |  |
| Ms. Fathima Jasna Kottekkattu | Promoter and Executive Director          |  |
| Mr. Mahesh K V                | Chief Financial Officer                  |  |
| Mr. Afnas                     | Non-Executive Independent Director       |  |
| Ms. Asya                      | Relative of Promoters                    |  |
| Mr. Afzal Rahman              | Relative of Promoters                    |  |
| A J C Jewellery Trading L.L.C |  | Companies over which directors have significant influence or control |
| Vismaya Furniture             |  |  |
| Vismaya Gold                  |  |  |

\* Mr. Kunhimohamed P and Mr. Kunhimoidu resigned as the directors of the Company w.e.f. August 05, 2024.

#### B. Details of Related Party Transactions during the year:

| (₹ in Lakhs)                          |                                 |  |                                |                         |                         |                         |
|---------------------------------------|---------------------------------|--|--------------------------------|-------------------------|-------------------------|-------------------------|
| Nature of Transaction                 | Name of Related Party           | Relationship                             | Period ended December 31, 2024 | Ended on March 31, 2024 | Ended on March 31, 2023 | Ended on March 31, 2022 |
| <b><u>Director’s Remuneration</u></b> | - Mr. Ashraf P                  | Promoter, Chairman and Managing Director | 40.50                          | 42.00                   | 42.00                   | 15.25                   |
|                                       | - Mr. Kunhimohamed P*           | Promoter                                 | 15.00                          | 24.00                   | 24.00                   | 12.28                   |
|                                       | -Mr. Mohamedali Cheruparambil   | Whole Time Director                      | 5.06                           | -                       | -                       | -                       |
|                                       | - Ms. Fathima Jasna Kottekkattu | Promoter and Executive Director          | 6.00                           | 5.00                    | -                       | -                       |

|   |                                 |  |          |          |       |       |
|---|---------------------------------|--|----------|----------|-------|-------|
| <b><u>Salary Expense</u></b>            | - Ms. Reshmi N K                | Company Secretary and Compliance Officer                         | 3.15     | 0.35     | -     | -     |
|   | - Mr. Mahesh K V                | Chief Financial Officer  | 5.06     | 7.09     | 6.87  | 6.23  |
|   | - Ms. Asya                      | Relative of Director   | 6.00     | 5.00     | -     | -     |
| <b><u>Sales</u></b>                     | - Mr. Ashraf P                  | Promoter, Chairman and Managing Director                         | -        | 4.24     | -     | 0.08  |
|   | - Mr. Kunhimohamed P*           | Promoter   | -        | 0.47     | 2.62  | -     |
|   | - A J C Jewellery Trading L.L.C | Companies over which KMP's have significant influence or control | 3,396.73 | 8,500.75 | -     | -     |
|   | -Mr. Mahesh K V                 | Chief Financial Officer  | 0.13     | -        | -     | -     |
| <b><u>Purchases</u></b>                 | - Mr. Ashraf P                  | Promoter, Chairman and Managing Director                         | -        | 4.37     | -     | 0.31  |
|   | - Mr. Kunhimoidu*               | Director   | -        | 17.79    | -     | 13.03 |
|   | -Mr. Mohamedali Cheruparambil   | Whole Time Director  | 5.44     | -        | -     | -     |
|   | -Mr. Mahesh K V                 | Chief Financial Officer  | 2.40     | -        | -     | -     |
|   | - Mr. Afnas <sup>#</sup>        | Non-Executive Independent Director                               | 0.92     | -        | -     | -     |
|   | -Vismaya Gold                   | Entities over which KMP's have significant influence or control  | 65.89    | -        | -     | -     |
|   | - Mr. Afzal Rahman              | Relative of Director   | 0.94     | -        | -     | -     |
| <b><u>Purchases of Fixed Assets</u></b> | - Vismaya Furniture             | Entities over which KMP's have significant influence or control  | -        | 5.30     | 2.71  | 0.52  |
|   | - Vismaya Gold                  | Entities over which KMP's have significant influence or control  | -        | -        | 20.31 | -     |

|                                     |   |   |   |        |               |               |
|-------------------------------------|---|---|---|--------|---------------|---------------|
| <b><u>Sales of Fixed Assets</u></b> | - Vismaya Furniture                     | Entities over which KMP's have significant influence or control | - | -      | -             | 0.75          |
| <b><u>Loan</u></b>                  | - Mr. Ashraf P                          | Promoter, Chairman and Managing Director                        |   |        |               |               |
|                                     | Opening Balance                         |   | - | 182.67 | 162.49        | 207.53        |
|                                     | Add: Loan Taken During the Year         |   | - | 51.15  | 20.18         | 0.31          |
|                                     | Less: Repayment of Loan During the year |   | - | 233.82 | -             | 45.35         |
|                                     | Closing Balance                         |   | - | -      | <b>182.67</b> | <b>162.49</b> |
|                                     | - Mr. Kunhimohamed P*                   | Promoter  |   |        |               |               |
|                                     | Opening Balance                         |   | - | 24.19  | 15.80         | 15.80         |
|                                     | Add: Loan Taken During the Year         |   | - | -      | 65.28         | -             |
|                                     | Less: Repayment of Loan During the year |   | - | 24.19  | 56.88         | -             |
|                                     | Closing Balance                         |   | - | -      | <b>24.19</b>  | <b>15.80</b>  |

\* Mr. Kunhimohamed P and Mr. Kunhimoidu resigned as the directors of the Company w.e.f. August 05, 2024

#Mr. Afnas, Non-Executive Independent Director was involved in Purchase transaction which was not exceeding ten per cent of his total income with our company in the stub period ended December 31, 2024 as per the provisions of Companies Act, 2013.

**C. Closing Balances of Related Parties:**

(₹ in Lakhs)

| Nature of Transaction           | Name of Related Party           | Relationship   | Period ended on December 31, 2024 | Ended on March 31, 2024 | Ended on March 31, 2023 | Ended on March 31, 2022 |
|---------------------------------|---------------------------------|--|-----------------------------------|-------------------------|-------------------------|-------------------------|
| <b><u>Trade Receivables</u></b> | - A J C Jewellery Trading L.L.C | Companies over which KMP's have significant influence or control | 97.89                             | 0.01                    | -                       | -                       |
|                                 | - Vismaya Gold                  | Entities over which KMP's have significant influence or control  | -                                 | 0.001                   | -                       | -                       |
|                                 | - Mr. Mahesh K V                | Chief Financial Officer  | 0.14                              | -                       | -                       | -                       |
| <b><u>Trade Payables</u></b>    | - Vismaya Gold                  | Entities over which KMP's have significant influence or control  | -                                 | -                       | -                       | 103.11                  |



|   |                       |   |      |      |        |        |
|---|-----------------------|---|------|------|--------|--------|
|   | - Vismaya Furniture   | Entities over which KMP's have significant influence or control | -    | 0.53 | -      | -      |
|   | - Mr. Afzal Rahman    | Relative of Director  | 0.94 | -    | 1.00   | 1.00   |
|   | - Mr. Mahesh K V      | Chief Financial Officer   | -    | -    | -      | 2.02   |
| <b><u>Purchase of Fixed Assets</u></b>        | - Vismaya Furniture   | Entities over which KMP's have significant influence or control | 0.53 | 0.53 | -      | -      |
| <b><u>Director's Remuneration Payable</u></b> | - Mr. Kunhimohamed P* | Promoter  | -    | -    | 1.56   | 13.46  |
|   | - Mr. Ashraf P        | Promoter, Chairman and Managing Director                        | 0.97 | -    | 2.24   | 16.26  |
| <b><u>Loans</u></b>                           | - Mr. Ashraf P        | Promoter, Chairman and Managing Director                        | -    | -    | 182.67 | 162.49 |
|   | - Mr. Kunhimohamed P* | Promoter  | -    | -    | 24.19  | 15.80  |

\* Mr. Kunhimohamed P resigned as the directors of the Company w.e.f. August 05, 2024

**D. Loans sanctioned on Director's personal guarantees:**

(₹ in Lakhs)

| Particulars                  | Sanctioned Amount  | Outstanding Amount as on December 31, 2024 |
|------------------------------|--|--|
| ICICI Bank - Cash Credit     | 2,900.00   | 727.15                                     |
| ICICI Bank – Gold Metal Loan | As communicated by ICICI Bank at time of drawdown<br><br>Sub Limit of above ICICI Bank - Cash Credit | 535.14                                     |
| Axis Bank – Cash Credit      | Limit – 500.00   | 63.95                                      |
| Axis Bank – Gold Metal Loan  | 450.00 sub limit of above Axis Bank  | 286.66                                     |

For details, please refer to chapter titled “Restated Financial Statements” beginning on page 261 of this Draft Red Herring Prospectus.

**FINANCING ARRANGEMENTS**

There have been no financing arrangements whereby our Promoters, members of the Promoter group, our directors and their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of business of the relevant financing entity) during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

**WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WERE ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS.**

The weighted average cost of acquisition of Equity Shares by our Promoters in the last one (1) year preceding the date of this Draft Red Herring Prospectus set forth in the table below:

| Sr. No. | Name of Promoters             | Number of Equity Shares Held | Number of Equity Shares acquired in the one year preceding the date of this Draft Red Herring Prospectus** | Weighted Average cost of Acquisition (in ₹) * |
|---------|-------------------------------|------------------------------|--|---|
| 1.      | Mr. Ashraf P                  | 16,58,630                    | 68,290   | 30  |
| 2.      | Mr. Kunhimohamed P            | 12,37,500                    | Nil  | Nil   |
| 3.      | Ms. Fathima Jasna Kottekkattu | 2,15,400                     | Nil  | Nil   |

\*As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.

The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

*\*\*Pursuant to a resolution passed by our Board in its meeting held on February 02, 2024, and approved by the Shareholders at their meeting held on March 11, 2024, each fully paid-up Equity Share of our Company having face value of ₹100 was sub-divided into 10 Equity Shares of face value of ₹10 each. The impact of such sub-division of shares has been considered for the computation of weighted average cost of acquisition.*

#### **AVERAGE COST OF ACQUISITION OF PROMOTERS**

The average cost of acquisition of Equity Shares by our Promoters as on the date of this Draft Red Herring Prospectus is set forth in the table below:

| <b>Sr. No.</b> | <b>Name of Promoters</b>      | <b>No of Equity Shares held**</b> | <b>Average cost of Acquisition (in ₹) *</b> |
|----------------|-------------------------------|-----------------------------------|---|
| 1.             | Mr. Ashraf P                  | 16,58,630                         | 10.29                                       |
| 2.             | Mr. Kunhimohamed P            | 12,37,500                         | 7.23  |
| 3.             | Ms. Fathima Jasna Kottekkattu | 2,15,400                          | 6.50  |

*\*As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.*

The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

*\*\*Pursuant to a resolution passed by our Board in its meeting held on February 02, 2024, and approved by the Shareholders at their meeting held on March 11, 2024, each fully paid-up Equity Share of our Company having face value of ₹100 was sub-divided into 10 Equity Shares of face value of ₹10 each. The impact of such sub-division of shares has been considered for the computation of average cost of acquisition.*

#### **DETAILS OF PRE-IPO PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR**

We have not issued any Equity Shares for consideration other than cash within last one year from the date of this Draft Red Herring Prospectus.

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

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus however, pursuant to a resolution passed by our Board in its meeting held on February 02, 2024, and approved by the Shareholders at their meeting held on March 11, 2024, each fully paid-up Equity Share of our Company having face value of ₹100 was sub-divided into 10 Equity Shares of face value of ₹10 each.

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

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

### SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. 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 suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. 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. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Issue. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. 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. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See chapter titled “Forward Looking Statements” beginning on page 24 of this Draft Red Herring Prospectus.*

*To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Draft Red Herring Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Statements” on page 153, 270, 130 and 227 respectively of this Draft Red Herring Prospectus, together with all other Restated Financial Statements contained in this Draft Red Herring Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus.*

*Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the period ended December 31, 2024 and financial years ended March 31, 2024, 2023, and 2022 as included in “Restated Financial Statements” beginning on page 227 of this Draft Red Herring Prospectus.*

#### **MATERIALITY**

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

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

#### **INTERNAL RISKS**

- 1. We depend on few suppliers for our raw materials required for our operations and we have not entered into any long term agreements and any delays, interruptions or reduction in the supply of raw materials to manufacture our products and any abrupt fluctuations in the prices of our raw materials may adversely affect the pricing of our products and may have an impact on our Business, Results of Operation, Financial Condition and Cash Flows.**

Our Company is in the business of manufacturing and designing the wide range of wholesale Gold Jewelleries which includes plain gold, studded and named jewellerys available in 22Karat and 18Karat.

Our main raw material for manufacturing operations is gold bullion i.e. 24 karat gold. We procure the gold bullion required for the manufacturing of gold jewellery from bullion dealers and through gold metal loans in the domestic market. Though we prefer to deal with a fixed set of suppliers with whom we have cordial relationships, we have not entered into any supply agreement or MoU from any of the gold bullion dealers, however there is a sanction letter issued by the bank for the gold metal loan taken by our Company, however there are no such other arrangement with any of our suppliers for procurement

of our raw material and we typically transact on an invoice basis for each order from the dealers. Besides Gold, we use ancillary raw materials like different mixes of alloy, various coloured stones etc. which are also procured on invoice bases.

Following is the purchase breakup of the top five and top ten suppliers of our Company for the period ended December 31, 2024 and for the financial year ended March 31, 2024, 2023 and 2022:

| S. No | Particulars        | December 31, 2024      |                      | Fiscal 2024            |                      | Fiscal 2023            |                      | Fiscal 2022            |                      |
|-------|--------------------|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
|       |                    | Purchases (₹ in lakhs) | % of total Purchases | Purchases (₹ in lakhs) | % of total Purchases | Purchases (₹ in lakhs) | % of total Purchases | Purchases (₹ in lakhs) | % of total Purchases |
| 1.    | Top five suppliers | 12,437.50              | 74.81%               | 19,406.57              | 82.63%               | 16,432.10              | 81.63%               | 10,483.93              | 90.49%               |
| 2.    | Top ten suppliers  | 14,787.65              | 88.95%               | 21,007.28              | 89.44%               | 18,110.63              | 89.96%               | 11,023.33              | 95.15%               |

| For the period ended December 31, 2024 |                        |                      |
|--|------------------------|----------------------|
| Suppliers                              | Purchases (₹ in lakhs) | % of total Purchases |
| Supplier 1                             | 3,492.58               | 21.01%               |
| Supplier 2                             | 2,902.84               | 17.46%               |
| Supplier 3                             | 2,735.07               | 16.45%               |
| Supplier 4                             | 1,854.90               | 11.16%               |
| Supplier 5                             | 1,452.10               | 8.73%                |
| Supplier 6                             | 983.99                 | 5.92%                |
| Supplier 7                             | 572.12                 | 3.44%                |
| Supplier 8                             | 334.41                 | 2.01%                |
| Supplier 9                             | 264.96                 | 1.59%                |
| Supplier 10                            | 194.67                 | 1.17%                |

| March 31, 2024 |                        |                      |
|----------------|------------------------|----------------------|
| Suppliers      | Purchases (₹ in lakhs) | % of total Purchases |
| Supplier 1     | 8,446.85               | 35.96%               |
| Supplier 2     | 5,855.16               | 24.93%               |
| Supplier 3     | 2,350.16               | 10.01%               |
| Supplier 4     | 1,869.75               | 7.96%                |
| Supplier 5     | 884.65                 | 3.77%                |
| Supplier 6     | 488.43                 | 2.08%                |
| Supplier 7     | 322.59                 | 1.37%                |
| Supplier 8     | 279.07                 | 1.19%                |
| Supplier 9     | 263.09                 | 1.12%                |
| Supplier 10    | 247.54                 | 1.05%                |

| March 31, 2023 |                        |                      |
|----------------|------------------------|----------------------|
| Suppliers      | Purchases (₹ in lakhs) | % of total Purchases |
| Supplier 1     | 6,252.08               | 31.06%               |
| Supplier 2     | 5,708.29               | 28.36%               |
| Supplier 3     | 2,622.86               | 13.03%               |
| Supplier 4     | 1,329.54               | 6.60%                |
| Supplier 5     | 519.34                 | 2.58%                |
| Supplier 6     | 474.05                 | 2.35%                |
| Supplier 7     | 469.30                 | 2.33%                |
| Supplier 8     | 296.24                 | 1.47%                |
| Supplier 9     | 227.16                 | 1.13%                |
| Supplier 10    | 211.78                 | 1.05%                |

| March 31, 2022 |                        |                      |
|----------------|------------------------|----------------------|
| Suppliers      | Purchases (₹ in lakhs) | % of total Purchases |
| Supplier 1     | 7,373.88               | 63.64%               |
| Supplier 2     | 1,222.95               | 10.56%               |

|             |        |       |
|-------------|--------|-------|
| Supplier 3  | 765.00 | 6.60% |
| Supplier 4  | 618.31 | 5.34% |
| Supplier 5  | 503.80 | 4.35% |
| Supplier 6  | 225.28 | 1.94% |
| Supplier 7  | 133.95 | 1.16% |
| Supplier 8  | 71.93  | 0.62% |
| Supplier 9  | 66.67  | 0.58% |
| Supplier 10 | 41.57  | 0.36% |

*As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025 as per the audited financial statements for the period ended December 31, 2024 and financial years ended March 31, 2024, 2023 and 2022.*

These suppliers have accorded their trust and service based on our credit worthiness and our goodwill. We have very frequent transactions and goodwill with some of our suppliers. However, in the absence of written agreements, our suppliers are not bound to supply goods to us and can withdraw their commitments from us at any time. There can be no assurance that there will not be a significant disruption in the supply of raw materials from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the raw materials of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices.

Further, to ensure the utmost quality, our company has established a solid network of reliable suppliers who consistently provide raw materials that align with our specifications.

The manufacturing quantity and the pricing of our products is significantly dependent on our ability to source quality raw materials at acceptable prices and maintain a stable and sufficient supply of the same. As per the Restated Financial Statements, our cost of material consumed were ₹ 16,716.08 Lakhs, ₹ 23,536.54 Lakhs, ₹ 20,044.59 Lakhs and ₹ 12,303.56 Lakhs constituting 96.61%, 97.09 %, 104.73 % and 97.92 % of our total expenses for the period ended December 31, 2024 and for the Fiscals 2024, 2023 and 2022 respectively. Timely procurement of raw materials is crucial to avoid delays in our manufacturing process. As we rely on limited suppliers for the procurement of raw materials, any delays in the delivery can significantly impact our execution process.

However, if our Company is unable to effectively manage these costs or unable to increase the prices of our products to offset such increased costs, our margins, cash flows and overall profitability may be adversely affected.

**2. *Our gold jewellery business faces risks from market volatility and changing customer preferences. Fluctuations in commodity prices like gold could impact our costs and profitability. Evolving customer tastes influence product demand, necessitating continuous adaptation, to remain competitive.***

Our gold jewellery business faces heightened risk due to market volatility and shifting customer preferences, compounded by the current record-high gold rates that may continue to rise. Fluctuations in commodity prices, especially in gold, directly impacts our cost of raw materials and overall profitability. The current peak in gold prices presents a particular challenge, as further increases could escalate our production costs, potentially squeezing profit margins, unless we adapt our pricing strategies accordingly. Conversely, sudden declines in gold prices could impact inventory valuation and profitability, especially if we have materials acquired at higher costs.

In addition to market volatility, evolving customer tastes and preferences in jewellery design pose ongoing challenges. Customer preferences can swiftly change in response to fashion trends, cultural influences and aesthetic shifts. Our success in the market hinges on our ability to anticipate and respond effectively to these changes, offering products that resonate with current customer demands. Failure to do so could result in excess inventory, reduced sales, and decreased market relevance over time.

Given the current peak in gold rates and the unpredictability of consumer preferences, our business must remain adaptable and agile to navigate these risks successfully. It's essential to closely monitor market conditions, adjust pricing strategies accordingly, and continuously innovate to ensure our products remain appealing and competitive in the dynamic jewellery industry landscape.

**3. *We depend on certain customers for a significant portion of our revenues, Also, our Company in the usual course of Business does not have any long term contracts with its Customers and we rely on purchase orders for delivery of our products and our Customers may cancel or modify their orders, change quantities, delay or change their sourcing***

*strategy. Loss of one or more of our top Customers or a reduction in their demand for our products or reduction in revenue derived from them may adversely affect our Business, Results of Operations and Financial Condition.*

Our Company has in the past received repeat orders from our customers and they continue to engage us, however we do not enter into long-term purchase contracts with our customers and we rely on purchase orders which govern the volume and other terms of our sale of products to them. Many of the purchase orders we receive from our customers specify pricing terms and the delivery schedule. Absence of any long-term contracts or contractual exclusivity with respect to our Business Arrangements with such Customers poses a challenge on our ability to continue to supply our products to these Customers in future. Our customer base currently comprises a host of international and domestic companies. Moreover, we depend on a limited number of Customers, which exposes us to a risk of Customer concentration.

**Following is the revenue breakup of the top five and top ten customers of our Company for the period ended December 31, 2024 and for the financial year ended March 31, 2024, 2023 and 2022:**

(in Lakhs)

| Particulars             | For the period ended December 31, 2024 |                              | For the year ended March 31, 2024 |                              | For the year ended March 31, 2023 |                              | For the year ended March 31, 2022 |                              |
|-------------------------|--|------------------------------|-----------------------------------|------------------------------|-----------------------------------|------------------------------|-----------------------------------|------------------------------|
|                         | Amount (₹ in lakhs)                    | % of Revenue from Operations | Amount (₹ in lakhs)               | % of Revenue from Operations | Amount (₹ in lakhs)               | % of Revenue from Operations | Amount (₹ in lakhs)               | % of Revenue from Operations |
| <b>Top 5 Customers</b>  | 9,504.05                               | 54.29%                       | 14,029.72                         | 57.05%                       | 6,949.14                          | 35.79%                       | 4,318.98                          | 33.90%                       |
| <b>Top 10 Customers</b> | 10,906.82                              | 62.30%                       | 15,886.36                         | 64.60%                       | 8,992.40                          | 46.30%                       | 5,983.87                          | 46.98%                       |

| December 31, 2024 |                      |                              |
|-------------------|----------------------|------------------------------|
| Customers         | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1        | 3,354.61             | 19.16%                       |
| Customer 2        | 2,352.25             | 13.44%                       |
| Customer 3        | 1,926.10             | 11.00%                       |
| Customer 4        | 1,473.09             | 8.42%                        |
| Customer 5        | 398.01               | 2.27%                        |
| Customer 6        | 388.07               | 2.22%                        |
| Customer 7        | 275.56               | 1.57%                        |
| Customer 8        | 271.34               | 1.55%                        |
| Customer 9        | 252.21               | 1.44%                        |
| Customer 10       | 215.58               | 1.23%                        |

| Fiscal 2024 |                      |                              |
|-------------|----------------------|------------------------------|
| Customers   | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1  | 8,423.25             | 34.25%                       |
| Customer 2  | 2,440.01             | 9.92%                        |
| Customer 3  | 1,848.62             | 7.52%                        |
| Customer 4  | 866.12               | 3.52%                        |
| Customer 5  | 451.72               | 1.84%                        |
| Customer 6  | 423.74               | 1.72%                        |
| Customer 7  | 413.18               | 1.68%                        |
| Customer 8  | 349.36               | 1.42%                        |
| Customer 9  | 346.70               | 1.41%                        |
| Customer 10 | 323.66               | 1.32%                        |

| Fiscal 2023 |                      |                              |
|-------------|----------------------|------------------------------|
| Customers   | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1  | 2,648.27             | 13.64%                       |
| Customer 2  | 1,527.20             | 7.86%                        |
| Customer 3  | 1,053.14             | 5.42%                        |

|             |          |       |
|-------------|----------|-------|
| Customer 4  | 1,028.12 | 5.29% |
| Customer 5  | 692.40   | 3.57% |
| Customer 6  | 484.17   | 2.49% |
| Customer 7  | 471.79   | 2.43% |
| Customer 8  | 453.67   | 2.34% |
| Customer 9  | 332.15   | 1.71% |
| Customer 10 | 301.49   | 1.55% |

| Fiscal 2022 |                      |                              |
|-------------|----------------------|------------------------------|
| Customers   | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1  | 1,286.89             | 10.10%                       |
| Customer 2  | 955.55               | 7.50%                        |
| Customer 3  | 827.33               | 6.49%                        |
| Customer 4  | 656.04               | 5.15%                        |
| Customer 5  | 593.18               | 4.66%                        |
| Customer 6  | 441.68               | 3.47%                        |
| Customer 7  | 414.72               | 3.26%                        |
| Customer 8  | 306.97               | 2.41%                        |
| Customer 9  | 263.11               | 2.07%                        |
| Customer 10 | 238.40               | 1.87%                        |

*As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025 as per the audited financial statements for the period ended December 31, 2024 and financial years ended March 31, 2024, 2023 and 2022.*

There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations.

We may possibly experience issues executing a purchase order from a customer in accordance with the requirements of them on a timely basis. Additionally, our customers have certain specific requirements for product quality as well as delivery schedules and any failure to meet our customers' expectations and specifications could result in cancellation of orders or the risk of the Customer not placing any subsequent orders or might place orders for lesser quantity. There are also a number of factors, other than our performance, that could cause the loss of a customer such as, (a) increase in prices of raw materials i.e. Gold and other input costs resulting in an increase in the price of our products; (b) changes in end customer requirements and preferences; (c) changes in Governmental or Regulatory Policies and (d) slowdown in the Customer's Industry due to any reasons. Any of these factors may have an adverse effect on our Business, Results of Operations and Financial Condition. Due to the possibility of orders not being placed, cancellations or changes in scope and schedule of orders, which is typically at the discretion of our customers, or problems we encounter in order of execution or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent an order will be performed or that purchase orders will be, in one period as consistently as they have been in prior periods. Also, Reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers; failure to re-negotiate favourable terms with our key customers; the loss of these customers; all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. In order to retain some of our existing customers we may also be required to offer terms to such customers which we may place restraints on our resources. Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business. Some of these customers have been associated with us for the stub period ended December 31, 2024 and for the past three years. Additionally, the loss of any key customers, may significantly affect our revenues, and we may have difficulty in securing comparable levels of business from other customers to offset any loss of revenue from the loss of any of our key customers including our largest customer or even our top five customers and top ten customers.

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

**4. Our Company had negative cash flows from operating, investing and financing activities in the past years/period, details of which are given below. Sustained negative cash flow could impact our growth and business.**

We have experienced negative cash flows in the past from operating, investing and financing activities which have been set out below as per the Restated financial statements:

*(₹ In Lakhs)*

| Particulars   | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|-------------------|----------------|----------------|----------------|
| Net cash generated from/ (used in) operating activities | 603.92            | 552.03         | (1,563.98)     | (397.43)       |
| Net cash generated from/ (used in) investing activities | (1.83)            | (66.94)        | (252.08)       | (12.91)        |
| Net cash generated from/ (used in) financing activities | (541.95)          | (372.76)       | 1,870.90       | 386.48         |

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “Restated Financial Statements” on page 227 and also for in detailed reason for negative cash flows, see section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 273 of this Draft Red Herring Prospectus.

**5. The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants who is not Statutory Auditor of our Company.**

The Restated Financial Statements of our Company as disclosed in section titled “Restated Financial Statements” beginning on Page no. 227 of this Draft Red Herring Prospectus for the period ended December 31, 2024 and Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022 is furnished by Peer Reviewed Chartered Accountants i.e., M/s Vinay Bhushan & Associates, Chartered Accountants (having Peer Review Registration No. 015503) who is not the Statutory Auditor of our Company. While our Statutory Auditor possesses a valid peer-reviewed certificate, for the purpose of maintaining the independence, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

**6. We face significant competition in the Indian jewellery market, we risk losing substantial portion of our customers which will adversely affect our business, financial condition, results of operations and prospects.**

Competition in the Indian jewellery industry is significant. We operate in highly competitive and fragmented markets and competition in these markets is based primarily on market trends, pricing and customer preferences. The players in the jewellery sector in India often offer their products at highly competitive prices and many of them are well established in their local markets. Some of our competitors may be larger than us in terms of business volume and may have greater capital, technical capabilities and financial and other resources than us which may enable them to secure opportunities at lower prices or to otherwise incentivize the buyers. In addition, our competitors that are smaller specialized entities may compete effectively against us in a particular region based on price, size and established regional trust with the local customers. For details of our competitors, see the section “Our Business – Competition” on page 184 of this Draft Red herring Prospectus. Customer acquisition and retention remain key focus areas for us. We compete for customers, based on various factors, including design of our jewellery, pricing, quality of our jewellery and after sales service. If we do not compete in these areas effectively, this could lead to a decrease in our market share, experience downward pressure on prices and an increase in our marketing and other expenses. This could adversely affect our profitability, as it would cause us to experience lower revenue and additional selling costs to replace customers and recapture the lost revenue. The pricing of gold jewellery in particular is extremely competitive due to its objectively verifiable value, resulting in us having limited control over pricing of gold jewellery. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, the jewellery wholesale industry in India has traditionally been dominated by family-owned standalone manufacturing unit. Though this segment continues to account for majority of the industry even today, the organized segment has grown rapidly in recent years and gained substantial market share. A significant portion of such jewellery wholesalers in the unorganized sector operate through partnerships/ proprietary concerns, as compared to our Company, which is regulated by the provisions of the Companies Act. Such corporate structures may offer our competitors in the unorganized sector more flexibly, particularly in terms of access to capital, amongst other things. We cannot assure you that we will be able to compete with the unorganized sector effectively, which could adversely affect our business, results



of operations, financial conditions and prospects. Additionally, larger competitors may provide promotional offers to customers, particularly during festivals, which we may not be able to compete with and which, accordingly, could result in, amongst other things, loss of our customers or failure to attract new customers, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Our principal competitive factors include brand name, product style, product range, quality, display, price transparency, personalized services to our customers, scalability of production, designs suited to local preferences. We cannot give any assurances that we will be able to compete successfully on all of these factors against existing or future competitors in the future.

**7. *We have in past entered into related party transactions and we may continue to do so in the future, which may affect our competitive edge.***

Our Company in the past has entered into Related Party Transactions and may continue to do so in future, which may affect our competitive edge. Our Company had entered into various transactions with our Promoters, Promoter Group and Directors. These transactions, inter-alia includes Sales, Purchases, Salary and Remuneration, etc. The Percentage of total related party transaction to revenue from operations is 20.30%, 35.04%, 1.57% and 1.78% for the period ended December 31, 2024 and financial year ended on March 31, 2024, 2023 and 2022 respectively, and the Percentage of total related party sales (Mr. Ashraf P, Mr. Kunhimohamed P, A J C Jewellery Trading L.L.C and Mr. Mahesh KV) to revenue from operations is 19.41%, 34.59 %, 0.01 % and 0.00 % for the period ended December 31, 2024 and financial year ended on March 31, 2024, 2023 and 2022 respectively. The transactions are in compliance with Companies Act, 2013 and other applicable provisions. While we believe that all our related party transactions must 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.

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

In the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities with certain provision of statutory regulations applicable to us which is certified pursuant to a Report issued by Gopimohan Satheesan & Associates LLP dated April 22, 2025:

| Particulars                  | Purpose of the form | Date of Event | Expected Date of Filing | Actual Date of Filing | Number of Days Delayed | Reasons for the delay                 | Steps taken by the Company to rectify such delay |
|------------------------------|---------------------|---------------|-------------------------|-----------------------|------------------------|---------------------------------------|--|
| Form AOC-4 (FY 2019-20)      | Annual Return       | 31/12/2020    | 30/01/2021              | 22/02/2021            | 23 Days                | Due to inadvertence                   | Filed with additional fee                        |
| Form MGT-7 (FY 2020-21)      | Annual Return       | 30/11/2021    | 29/01/2022              | 07/03/2022            | 37 Days                | Due to inadvertence                   | Filed with additional fee                        |
| Form AOC-4 (FY 2020-21)      | Annual Return       | 30/11/2021    | 30/12/2021              | 07/03/2022            | 67 Days                | Delay in getting the Audited Accounts | Filed with additional fee                        |
| Form MGT-7 (FY 2021-22)      | Annual Return       | 30/09/2022    | 29/12/2022              | 15/12/2022            | 16 Days                | Delay in getting the Audited Accounts | Filed with additional fee                        |
| Form AOC-4 XBRL (FY 2021-22) | Annual Return       | 30/09/2022    | 30/10/2022              | 15/12/2022            | 61 Days                | Delay due to the XBRL data feeding    | Filed with additional fee                        |
| Form MGT-7 (FY 2022-23)      | Annual Return       | 30/09/2023    | 29/12/2023              | 30/11/2023            | 1 Day                  | MCA site issue                        | Filed with additional fee                        |
| Form AOC-4 XBRL (FY 2022-23) | Annual Return       | 30/09/2023    | 30/10/2023              | 30/11/2023            | 31 Days                | Due to inadvertence                   | Filed with additional fee                        |
| Form MGT-7 (FY 2023-24)      | Annual Return       | 09/09/2024    | 08/11/2024              | 28/11/2024            | 20 Days                | Due to inadvertence                   | Filed with additional fee                        |

|  |   |            |            |            |          |   |                           |
|--|---|------------|------------|------------|----------|---|---------------------------|
| Form INC 22 (FY 2017-18)                 | Change in registered address of the company                       | 23/03/2018 | 22/04/2018 | 26/04/2018 | 4 Days   | Due to inadvertence   | Filed with additional fee |
| Form SH-7 (FY 2023-24)                   | Increase in Authorized Share Capital                              | 11/03/2024 | 10/04/2024 | 14/05/2024 | 34 Days  | Delay in the approval of the SH 7 filed for the sub division of Equity Shares from Rs 100/- to Rs10/- | Filed with additional fee |
| INC-27 (FY 2023-24)                      | Conversion of Private to Public company                           | 05/08/2024 | 20/08/2024 | 06/09/2024 | 17 Days  | Delay in the approval of the SH 7 filed for the sub division of Equity Shares from Rs 100/- to Rs10/- | Filed with additional fee |
| INC-33(FY 2023-24)                       | E-MOA filed for conversion  | 05/08/2024 | 20/08/2024 | 06/09/2024 | 17 Days  | Delay in the approval of the MGT 14 filed for the Conversion  | Filed with additional fee |
| INC-34(FY 2023-24)                       | E-AOA filed for conversion  | 05/08/2024 | 20/08/2024 | 06/09/2024 | 17 Days  | Delay in the approval of the MGT 14 filed for the Conversion  | Filed with additional fee |
| DPT-3 (Annual Basis FY 2023-24)          | Return of Deposit   | 30/06/2024 | 30/06/2024 | 23/09/2024 | 85 Days  | Waited for the Audited Accounts   | Filed with additional fee |
| MSME-I (FY 2023-24)                      | Periodic Half-yearly return (01/04/2024 to 30/09/2024)            | 31/10/2024 | 31/10/2024 | 27/02/2025 | 119 Days | MSME Excel uploading failure in the MCA Portal  | Filed with additional fee |
| CHG-1- Creation (100456321) (FY 2021-22) | Creation of charge  | 26/04/2021 | 26/05/2021 | 09/07/2021 | 44 Days  | Delay in receipt of documents from the Bank   | Filed with additional fee |
| CHG-1- Creation (101001199) (FY 2023-24) | Creation of charge  | 18/10/2024 | 17/11/2024 | 18/11/2024 | 1 Day    | MCA DSC association issue   | Filed with additional fee |
| ADT-1 (FY 2024-2029)                     | Re-appointment of auditors for 5 years from 01.04.2024-31.03.2029 | 09/09/2024 | 24/09/2024 | 26/09/2024 | 2 Days   | Due to inadvertence   | Filed with additional fee |

Further our company has not filed form DPT-3 for the past financial years despite having unsecured loans and also MGT-14 is not filed for Mr. Ashraf P's re-appointment as the Managing Director of the company for next 5 years, however his appointment in terms of remuneration is ratified in the Annual General Meeting held on September 09, 2024. Further,

Company had allotted 97,164 Equity Shares on January 29, 2019, 1,01,158 Equity shares were allotted on May 29, 2019 which were allotted as consideration other than cash, since the gold was obtained and equity shares were allotted against the same for which Form PAS-3 was filed, reporting the transaction as “Consideration other than Cash”, however, Company had further allotted 1,60,514 Equity Shares partly against gold and partly against cash through rights issue for which Form PAS-3 was filed, reporting the transaction wholly as “Cash”, since the interpretation was that the gold is considered as equivalent to cash, however there were discrepancy in reporting the past transactions in the forms filed with the ROC, Further, the allotment of shares were made on July 05, 2023 while the part funds has been transferred to the Company’s bank account before giving the letter of offers to the allottees Nevertheless, the company has not utilised such amount till the allotment of shares. Also one of our Independent Director namely Mr. Thajudheen Valakkundil’s name had been registered in the Independent Director’s databank under MCA post his appointment, However, we cannot assure you that, in the future, we will not be subject to any liability on account of such non-compliances or that no action would be taken by the RoC or any other regulatory or statutory body in future in relation to these errors.

Also, Company has filed certain forms with the relevant regulatory authorities, although the Company exercises reasonable care to ensure the accuracy and completeness of the information contained in these forms, there were clerical errors or omissions in the ROC forms filed in the past. While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance or instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

The Company has filed certain forms with the relevant regulatory authorities, although the Company exercises reasonable care to ensure the accuracy and completeness of the information contained in these forms, there are minor errors or omissions that may occur due to clerical mistakes.

**9. *We obtain gold on loan basis known as gold metal Loan, which remains subject to RBI regulations. Any adverse change in the regulations governing gold on loan basis may adversely affect our financial condition and results of operations.***

We source gold for our operations under the gold-metal loans through bullion banks i.e. ICICI Bank Limited and Axis Bank Limited and we also use internal accruals or short term borrowings to fund purchase of gold from independent bullion dealers and to purchase old gold under exchange programs from our customers. As on December 31, 2024, our Company has a total sanctioned limit of ₹ 3,400.00 lakhs towards working capital loan facilities. As on the date of this DRHP, our Company has shifted its gold metal loan from ICICI Bank Limited to HDFC Bank Limited pursuant to the sanction letter dated January 02, 2025 issued by HDFC Bank Limited, due to limitations in obtaining the gold bullion from ICICI Bank Limited. We benefit from significantly lower effective interest rates by procuring gold through gold metal loans as compared to the interest rates payable if we procure gold by outright purchase using fund-based loans. Gold on loan basis is always subject to such conditions as are imposed by RBI, For further details, see section titled “Key Regulations and Policies” on page 189 of this Draft Red Herring Prospectus.

In the event of any adverse regulatory development or in the event that we are otherwise not able to avail such gold metal loans, we may not be able to benefit from such low interest rates. We cannot assure you that we will always be able to enjoy these benefits. In the event there is any adverse change in these regulations, we may not be able to enjoy the extended usance period or borrow the funds at comparatively lower rates. Such adverse changes may affect our working capital cycle and could have an adverse effect on our financial condition and results of operation.

**10. *Our inability to respond to changes in demands and market trends in a timely manner and failure to expand our product offering in a diversified manner may have an adverse effect on our business, results of operations and financial condition***

Our success depends on the ability of our design team to identify, originate and define product and market trends, as well as to anticipate, gauge and react to rapidly changing customer demands in a timely manner. Our designs must also appeal to potential customers in every region of India in which we operate covering a broad range of customers whose preferences may vary significantly and cannot be predicted with certainty. We cannot assure you that the demand for our products with branded jewellers and local family jewellers along with the end-consumers will continue to grow or that we will be able to continue to develop unique designs or meet ever changing customer demands in the future. If our design team fails to anticipate shift in customer preferences, we may be faced with a reduction in revenues from operations.

Customer preferences regarding gold also influence the level of our sales. While a majority of the demand is for plain gold jewellery, the market share for studded jewellery i.e. jewellery studded with coloured stones is also relatively high. Customer preferences could be affected by a variety of issues, including bridal / festive season, promotion of specific types

of jewellery by the fashion industry, such as the promotion of silver, diamond or platinum over traditional gold jewellery, a decrease in the perceived value and customer satisfaction of the jewellery compared to its prices, the availability of alternate metals and consumer attitude towards the substitution of some of the products or a shift in customer preference to other luxury products. The gold market is changing, with varying styles and tastes due to economic development, globalization and shifting customer preferences. Any factors adversely affecting the procurement of gold or our sales of gold jewellery may negatively impact our business, financial condition, results of operations and prospects.

**Product-wise breakup offered by our Company for the stub period ended on December 31, 2024 and for the Fiscals 2024, 2023 and 2022 have been provided below based on Audited Financial Statements:**

| Product Wise Sales |                 | For the period ended December 31, 2024 |                           |                  | FY 2023-24            |                       |                  | FY 2022-23            |                       |                  | FY 2021-22            |                       |                  |
|--------------------|-----------------|--|---------------------------|------------------|-----------------------|-----------------------|------------------|-----------------------|-----------------------|------------------|-----------------------|-----------------------|------------------|
| Sr No              | Product         | Units                                  | Amount (Rs. In Lakhs)     | % of Revenue     | Units                 | Amount (Rs. In Lakhs) | % of Revenue     | Units                 | Amount (Rs. In Lakhs) | % of Revenue     | Units                 | Amount (Rs. In Lakhs) | % of Revenue     |
| 1.                 | Plain Gold      | 1126<br>84.11                          | 585<br>6.80               | 33.4<br>5%       | 2352<br>39.60         | 13,120.<br>87         | 53.3<br>7%       | 2208<br>64.43         | 11,075.<br>57         | 57.0<br>4%       | 1457<br>95.43         | 6,718.9<br>5          | 52.7<br>4%       |
| 2.                 | Studded Gold    | 8055<br>4.43                           | 737<br>2.28               | 42.1<br>2%       | 1627<br>74.50         | 9,081.4<br>0          | 36.9<br>3%       | 1317<br>21.07         | 6,604.6<br>8          | 34.0<br>1%       | 1273<br>53.61         | 5,869.0<br>0          | 46.0<br>7%       |
| 3.                 | Named Jewellery | 1620<br>6.12                           | 110<br>9.47               | 6.34<br>%        | 3461<br>8.61          | 1,931.2<br>8          | 7.85<br>%        | 2918<br>4.32          | 1,463.4<br>1          | 7.54<br>%        | -                     | -                     | -                |
| 4.                 | Others          | 3976<br>5.34                           | 316<br>6.21               | 18.0<br>9%       | 6726.<br>39           | 455.44                | 1.85<br>%        | 3,000                 | 274.48                | 1.41<br>%        | 1316.<br>30           | 151.15                | 1.19<br>%        |
| <b>Total</b>       |                 | <b>2492<br/>10</b>                     | <b>175<br/>04.7<br/>6</b> | <b>100<br/>%</b> | <b>4393<br/>59.10</b> | <b>24,588.<br/>99</b> | <b>100<br/>%</b> | <b>3847<br/>69.82</b> | <b>19,418.<br/>14</b> | <b>100<br/>%</b> | <b>2744<br/>65.34</b> | <b>12,739.<br/>10</b> | <b>100<br/>%</b> |

*As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025 as per the audited financial statements for the period ended December 31, 2024 and financial years ended March 31, 2024, 2023 and 2022.*

Continue to produce optimal level of new unique designs is important to our business as it allows us to respond to customer demand effectively and to deliver a full range of jewellery products to our customers. For our manufacturing segment, we provide our own designs as well as provide our customers an option to customize and provide their own designs, allowing our customers to create their own unique product lines, however, our failure or our customer's failure to respond to changes in demands and market trends may result in loss of revenue. While we cannot quantify the potential implications, any inability to respond to changes in consumer demands and market trends in a timely manner could have a material adverse effect on our business, financial condition and results of operations.

**11. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.**

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, our Subsidiary, Directors, Promoter, Group Company, KMP's and SMP's as at the date of this Draft Red Herring Prospectus.

**Cases by our Company**

| Nature of Cases                   | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|-------------------------|----------------------------|
| Criminal Complaints               | --                      | --                         |
| Statutory/ Regulatory Authorities | --                      | --                         |
| Taxation Matters                  | --                      | --                         |
| Other Litigation                  | 1                       | 31.35                      |

**Cases by our Promoters/ Directors/ KMPs / SMPs**

| Nature of Cases                   | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|-------------------------|----------------------------|
| Criminal Complaints               | 1                       | 7.04                       |
| Statutory/ Regulatory Authorities | --                      | --                         |
| Taxation Matters                  | --                      | --                         |
| Other Litigation                  | --                      | --                         |

**Cases against our Promoters/ Directors/ KMPs / SMPs**

| Nature of Cases                   | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|-------------------------|----------------------------|
| Criminal Complaints               | --                      | --                         |
| Statutory/ Regulatory Authorities | --                      | --                         |
| Taxation Matters                  | --                      | --                         |
| Other Litigation                  | --                      | --                         |

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 283 of this Draft Red Herring Prospectus.

**12. Our Company's manufacturing activities are labour intensive and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.**

Our operations and manufacturing process are labour intensive and depends on our ability to retain labour. In case such labour is unavailable or we are unable to identify and retain such labour, our business could be adversely affected. We cannot guarantee that we may be able to continue with the same labour on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, we have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

**13. We intend to utilise a portion of the Net Proceeds for funding our Capital Expenditure for purchase of certain Equipment. We are yet to place orders for such Capital Expenditure. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected.**

We intend to use a part of the Net Proceeds towards purchase of certain equipment for expansion at our manufacturing facility at Malappuram, Kerala. While we have obtained quotations from different vendors in relation to the equipment required for funding such capital expenditure, we are yet to place orders for such equipment. Our Company intends to utilise up to ₹ 262.55 Lakhs from the Net Proceeds to purchase equipment, there can be no assurance that we will be able to place orders for such equipment in a timely manner or at all. Further, in the event of any delay in placement of such orders, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

The Proposed procurement may be subject to potential problems and uncertainties that may face cost overruns or delays. Problems that could adversely affect our expansion plans including labour shortages, increased costs of equipment or

manpower, delays in completion, defects in equipment, the possibility of unanticipated future regulatory restrictions, taxes and duties, interest and finance charges and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet the proposed capital expenditure requirements. If the actual capital expenditures significantly exceed the budgets or even if the budgets were sufficient to cover these procurements, Our Company may not be able to achieve the intended economic benefits of these procurements of equipments, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

**14. We propose to repay or prepay all or a portion of certain outstanding borrowings availed by our Company.**

Our Company has entered into financial arrangements from time to time, with various banks and financial institutions. The outstanding loan facilities entered into by our Company include secured and unsecured borrowing in the form of Loan against property of our Company and personal guarantees of the Promoters Mr. Ashraf P and Mr. Kunhimohamed P. For further details, please refer “Financial Indebtedness” on page 270 of this Draft Red Herring Prospectus. As on March 15, 2025, the aggregate outstanding secured borrowings of our Company, is ₹ 2,865.76 Lakhs. Our Company proposes to utilize an estimated amount of ₹800.00 Lakhs from the Net Proceeds towards part or full repayment and/or prepayment of borrowings availed by us. The actual mode of such deployment has not been finalised as on the date of this Draft Red Herring Prospectus. For details, see “Objects of the Issue” on page 107. We believe that such repayment or prepayment will help reduce the outstanding indebtedness of our Company. In addition, we believe that this would help reduce our outstanding indebtedness and our debt servicing costs and enable utilization of our internal accruals for further investment in the growth and expansion of its business. However, no assurance can be made that our Company will not require further funding and that such funding will be available at attractive rates or that by repaying the borrowings, will in fact improve our available funding alternatives.

**15. If we fail to convert existing customers into repeat customers or acquire new customers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability.**

Our business has grown substantially in recent years, with the retention of existing customers and acquisition of new customers playing a significant role. Our revenue from operations increased from ₹19,418.14 lakhs in Fiscal 2023 to ₹24,588.99 Lakhs in Fiscal 2024 at a CAGR of 26.63%. Our revenue from operations was ₹17,504.76 lakhs for the period ended December 31, 2024.

The following table sets forth certain of our operational parameters in the relevant years/period:

| Sr. No. | Particulars                   | For the period ended December 31, 2024 | For the year ended |      |      |
|---------|-------------------------------|--|--------------------|------|------|
|         |                               |  | 2024               | 2023 | 2022 |
| 1.      | No. of Customers renewed      | 366                                    | 409                | 300  | 155  |
| 2.      | No. of Customers discontinued | 277                                    | 216                | 121  | 99   |

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Our continued success depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to the latest industry trends, changes in customer preferences for products, customer attitudes toward our industries and brands and where and how customers shop for those products. It is also dependent upon public perception and recognition of the quality associated with our brand. The growth of our business is dependent upon our ability to continue to grow by cost-effectively turning existing customers into repeat customers and adding new customers in a cost-effective manner. In the jewellery industry, the level and quality of customer service is a key competitive factor that determines the success of a jeweller. If we are unable to provide support to customers or help resolve issues in a timely and acceptable manner, our ability to attract and retain customers could be adversely affected. If the efforts fail to deliver the expected outcome, our business, results of operations, cash flows and financial condition may be adversely affected. We cannot assure you that our historical growth rates will be sustained or achieved in the future. If we fail to acquire new customers or fail to do so in a cost effective manner, we may not be able to increase our sales or increase or maintain profitability.

**16. The knowledge and experience of one of the present promoters of our Company is limited in manufacturing of Gold Jewellery Industry.**

The knowledge and experience of one of the present promoters of our Company, Ms. Fathima Jasna Kottekattu is limited in manufacturing of Gold Jewellery Industry. Her experience in managing and being instrumental in the growth of our Company is limited to the extent of her knowledge and experience in this industry and we cannot assure that this will not affect our business growth. Although our one of the Promoters, Directors and key managerial personnel, Mr. Ashraf P has

an experience of around 13 years. For further details of our other directors and key managerial personnel, please refer chapter titled “Our Management” beginning on Page 202 of this Draft Red Herring Prospectus.

- 17. We generate certain portion of the sales from international market of which major portion of sales from our operations is generated from United Arab Emirates and majority portion of sales is from domestic market, any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.**

Currently majority of international sales is derived from the United Arab Emirates. country mentioned above.

**Breakup of the revenue earned from domestic and export operations of our Company for the period ended December 31, 2024 and Fiscals 2024, 2023 and 2022 have been provided below:**

(₹ in lakhs)

| S. No. | Particulars  | December 31, 2024    |                              | March 31, 2024       |                              | March 31, 2023       |                              | March 31, 2022       |                              |
|--------|--------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|
|        |              | Revenue (₹ in lakhs) | % of revenue from operations | Revenue (₹ in lakhs) | % of revenue from operations | Revenue (₹ in lakhs) | % of revenue from operations | Revenue (₹ in lakhs) | % of revenue from operations |
| 1.     | Domestic     | 14,133.02            | 80.74%                       | 15,912.27            | 64.71%                       | 19,418.14            | 100%                         | 12,739.10            | 100%                         |
| 2.     | Exports      | 3,371.74             | 19.26%                       | 8,676.72             | 35.29%                       | -                    | -                            | -                    | -                            |
|        | <b>Total</b> | <b>17,504.76</b>     | <b>100%</b>                  | <b>24,588.99</b>     | <b>100%</b>                  | <b>19,418.14</b>     | <b>100%</b>                  | <b>12,739.10</b>     | <b>100%</b>                  |

(₹ in lakhs)

| Top 10 Country-wise  | December 31, 2024       |             | FY 2023-24              |             | FY 2022-23              |             | FY 2021-22              |             |
|----------------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
|                      | Revenue from Operations | %           | Revenue from Operations | %           | Revenue from Operations | %           | Revenue from Operations | %           |
| India                | 14,133.02               | 80.74%      | 15,912.27               | 64.71%      | 19,418.14               | 100%        | 12,739.10               | 100%        |
| United Arab Emirates | 3,371.74                | 19.26%      | 8,676.72                | 35.29%      | -                       | -           | -                       | -           |
| <b>Total</b>         | <b>17,504.76</b>        | <b>100%</b> | <b>24,588.99</b>        | <b>100%</b> | <b>19,418.14</b>        | <b>100%</b> | <b>12,739.10</b>        | <b>100%</b> |

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Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions, which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation in other markets where we may expand our operations which may differ from those in such regions and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also with local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward. However, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

- 18. We generate our major portion of sales from our operations in certain geographical regions especially, Kerala. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.**

We generate major portion of our domestic sales from our customers situated in Kerala.

Following is the break-up of the state-wise revenue generated for the period ended December 31, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in lakhs)

| Particulars    | for the period ended<br>December 31, 2024 |               | FY 2023-24                    |               | FY 2022-23                    |                | FY 2021-22                    |                |
|----------------|---|---------------|-------------------------------|---------------|-------------------------------|----------------|-------------------------------|----------------|
|                | Revenue<br>from<br>Operations             | %             | Revenue<br>from<br>Operations | %             | Revenue<br>from<br>Operations | %              | Revenue<br>from<br>Operations | %              |
| Kerala         | 13,691.54                                 | 78.22%        | 15,671.88                     | 63.74%        | 19,228.42                     | 99.02%         | 1,2,725.28                    | 99.89%         |
| Andhra Pradesh | -   | -             | 0.69                          | 0.00%         | 0.37                          | 0.00%          | -                             | -              |
| Karnataka      | 71.89                                     | 0.41%         | 3.90                          | 0.01%         | 19.76                         | 0.10%          | -                             | -              |
| Maharashtra    | -   | -             | 5.73                          | 0.02%         | 0.16                          | 0.00%          | -                             | -              |
| Pondicherry    | -   | -             | 0.34                          | 0.00%         | -                             | -              | -                             | -              |
| Telangana      | 1.76                                      | 0.01%         | 3.54                          | 0.01%         | 10.42                         | 0.05%          | -                             | -              |
| Uttar Pradesh  | -   | -             | 11.19                         | 0.05%         | 0.70                          | 0.00%          | -                             | -              |
| Tamil Nadu     | 367.83                                    | 2.10%         | 215.00                        | 0.87%         | 158.31                        | 0.82%          | 13.82                         | 0.11%          |
| <b>Total</b>   | <b>14,133.02</b>                          | <b>80.74%</b> | <b>15,912.27</b>              | <b>64.71%</b> | <b>19,418.14</b>              | <b>100.00%</b> | <b>12,739.10</b>              | <b>100.00%</b> |

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Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in this region may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

**19. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing of returns and deposit of statutory dues with the taxation and other statutory authorities which may affect our revenue from operations.**

Our Company is mainly engaged in business of manufacturing and designing the wide range of wholesale Gold Jewelleries which includes plain gold, studded and named jewellerys available in 22karat and 18Karat. In the past, our company has at several instances, delayed in filing our, GST returns, EPF returns, ESIC returns, TDS and TCS returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues.

The details of delays in filing Statutory Returns and payment of statutory dues including period of delay, payment dates, reason for delay etc. and steps taken by the Company to address such delays is as the table given below:

1. The details of delays in filing GST Returns including period of delay, payment dates, reason for delay etc. and steps taken by the Company to address such delays is as follows:



| Financial Year | Return Type | Total Number of Establishments | Establishments with Delayed Filings | Status |                |                 |               |   |   |  |
|----------------|-------------|--------------------------------|-------------------------------------|--------|----------------|-----------------|---------------|---|---|--|
|                |             |                                |                                     | Month  | Establishments | Period of Delay | Payment Dates | Penalty paid by the company for the delay | Reason for Delay  | Steps taken by the Company to address such delay   |
| 2021-22        | GST R 3B    | 1                              | 1                                   | April  | 1              | 32 Days         | 21-06-2021    | N.A.                                      | Delay due to Covid pandemic lockdown                          | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the account's manager |
|                | GST R 3B    | 1                              | 1                                   | May    | 1              | 10 Days         | 30-06-2021    | N.A.                                      | Delay due to Covid pandemic lockdown                          | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the accounts manager  |
|                | GST R 3B    | 1                              | 1                                   | August | 1              | 2 Days          | 22-09-2021    | N.A.                                      | Delay due to issue with generating OTP for filing the returns | For solving the delay company ensured the early filing of returns  |

|         |          |   |   |          |   |         |            |      |   |  |
|---------|----------|---|---|----------|---|---------|------------|------|---|--|
|         | GST R 3B | 1 | 1 | November | 1 | 1 Day   | 21-12-2021 | N.A. | Delay due to issue with generating OTP for filing the returns | For solving the delay company ensured the early filing of returns  |
|         | GST R 1  | 1 | 1 | April    | 1 | 15 Days | 26-05-2021 | N.A. | Delay due to Covid pandemic lockdown                          | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the account's manager |
|         | GST R 1  | 1 | 1 | May      | 1 | 10 Days | 21-06-2021 | N.A. | Delay due to Covid pandemic lockdown                          | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the accounts manager  |
| 2022-23 | GST R 3B | 1 | 1 | August   | 1 | 1 Day   | 21-09-2022 | N.A. | Delay due to Illness of Accounts Manager                      | When the delay repeated accounts manager guided to another accounts staff.   |

|  |          |   |   |           |   |       |            |      |                          |   |
|--|----------|---|---|-----------|---|-------|------------|------|--------------------------|---|
|  | GST R 3B | 1 | 1 | September | 1 | 1 Day | 21-10-2022 | N.A. | Delay due to site issues | When the site issues repeated company ensured the early filing. |
|--|----------|---|---|-----------|---|-------|------------|------|--------------------------|---|

2. The details of delays in filing EPF returns including period of delay, payment dates, reason for delay etc. and steps taken by the Company to address such delays is as follows:

| Financial Year | Total Amount of All Establishments Paid (Amount in Crores) | Total No. of Establishments | Establishments With Delayed Payments | Status  |  |
|----------------|--|-----------------------------|--------------------------------------|---|--|
| 2021-22        | 0.51   | 1                           | 1                                    | Period of delays                                  | 17 days and 14 days  |
|                |  |                             |                                      | Payment dates                                     | 01-06-2021 (April 2021) and 29-06-2021 (May 2021)  |
|                |  |                             |                                      | Penalty paid by the company for the delay         | N.A.   |
|                |  |                             |                                      | Reason for delay                                  | Delay due to Covid pandemic lockdown   |
|                |  |                             |                                      | Steps taken by the Company to address such delays | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the account's manager |

3. The details of delays in filing ESIC Returns including period of delay, payment dates, reason for delay etc. and steps taken by the Company to address such delays is as follows:

| Financial Year | Return Type | Total Number of Establishments | Establishments with Delayed Filings |         |                |                 | Status        |   |   |  |
|----------------|-------------|--------------------------------|-------------------------------------|---------|----------------|-----------------|---------------|---|---|--|
|                |             |                                |                                     | Month   | Establishments | Period of Delay | Payment Dates | Penalty paid by the company for the delay | Reason for Delay                            | Steps taken by the Company to address such delay   |
| 2021-22        | ESI         | 1                              | 1                                   | April   | 1              | 17 Days         | 01-06-2021    | N.A.                                      | Delay due to Covid pandemic lockdown        | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the account's manager |
|                | ESI         | 1                              | 1                                   | May     | 1              | 13 Days         | 28-06-2021    | N.A.                                      | Delay due to Covid pandemic lockdown        | Though the delay was due to Corona where the entire country was under lockdown. However, the company ensured the work from home facility for the account's manager |
|                | ESI         | 1                              | 1                                   | October | 1              | 1 Day           | 16-11-2021    | N.A.                                      | Delay due to site issues.                   | When the site issues repeated company ensured the early filing.  |
| 2022-23        | ESI         | 1                              | 1                                   | August  | 1              | 1 Day           | 16-09-2022    | N.A.                                      | Delay due to unavailability of HR assistant | When the delay repeated internal circular passed to file the returns at least 5 days before the due date.  |

4. The details of delays in filing TDS/TCS returns including No. of Instances, reason for delay etc. and steps taken by the Company to address such delays is as follows:

| Period/ Financial Year | 26Q              |                        | 24Q              |                        | 27EQ             |                        | Payment                    |                  |                        | Reason of Delay                        | Steps taken by company to address such delays |
|------------------------|------------------|------------------------|------------------|------------------------|------------------|------------------------|----------------------------|------------------|------------------------|--|---|
|                        | No. of Instances | Range of Delay in days | No. of Instances | Range of Delay in days | No. of Instances | Range of Delay in days | Amount Payable (Rs. Lakhs) | No. of Instances | Range of Delay in days |  |   |
| 2021-22 TDS            | 1                | 4 Days                 | 1                | 4 Days                 | -                | -                      | 13.89                      | 10               | 7-99 Days              | At the time of these transactions, the | The Company has since established             |
| 2021-22 TCS            | -                | -                      | -                | -                      | 1                | 6 Days                 | 0.04                       | 3                | 2-63 Days              |  |   |

| Period/<br>Financial<br>Year                 | 26Q                 |                              | 24Q                 |                              | 27EQ                |                              | Payment                                 |                     |                              | Reason of<br>Delay  | Steps<br>taken by<br>company<br>to address<br>such<br>delays   |
|--|---------------------|------------------------------|---------------------|------------------------------|---------------------|------------------------------|---|---------------------|------------------------------|---|--|
|  | No. of<br>Instances | Range of<br>Delay in<br>days | No. of<br>Instances | Range of<br>Delay in<br>days | No. of<br>Instances | Range of<br>Delay in<br>days | Amount<br>Payable<br>(Rs.<br>Lakhs<br>) | No. of<br>Instances | Range of<br>Delay in<br>days |   |  |
| 2022-<br>23 TDS                              | -                   | -                            | -                   | -                            | -                   | -                            | 27.04                                   | 12                  | 11-<br>79<br>Days            | Company did not have an internal finance department , and all finance-related functions were fully outsourced , which led to delays in processing and coordination. | an in-house finance team to ensure better control, faster processing, and timely execution of all financial transactions .   |
| 2022-<br>23 TCS                              | -                   | -                            | -                   | -                            | -                   | -                            | 0.006                                   | 1                   | 15<br>Days                   |   |  |
| 2023-<br>24 TDS                              | -                   | -                            | -                   | -                            | -                   | -                            | 22.75                                   | 10                  | 10-<br>19<br>Days            | Delays in receiving necessary documentation from vendors.   | The Company has implemented a structured vendor communication protocol, including predefined timelines and follow-up mechanisms, to ensure the timely receipt of all necessary documentation required for payment processing |
| 2024-<br>25 TDS<br>Up to<br>December<br>2024 | -                   | -                            | -                   | -                            | -                   | -                            | 11.37                                   | 2                   | 8-39<br>Days                 | Delays occurred due to pending TDS reconciliation   | Started reconciling TDS accounts on a monthly basis and introduced a   |

| Period/<br>Financial<br>Year | 26Q                 |                              | 24Q                 |                              | 27EQ                |                              | Payment                                 |                     |                              | Reason of<br>Delay  | Steps<br>taken by<br>company<br>to address<br>such<br>delays        |
|------------------------------|---------------------|------------------------------|---------------------|------------------------------|---------------------|------------------------------|---|---------------------|------------------------------|---------------------|---|
|                              | No. of<br>Instances | Range of<br>Delay in<br>days | No. of<br>Instances | Range of<br>Delay in<br>days | No. of<br>Instances | Range of<br>Delay in<br>days | Amount<br>Payable<br>(Rs.<br>Lakhs<br>) | No. of<br>Instances | Range of<br>Delay in<br>days |                     |   |
|                              |                     |                              |                     |                              |                     |                              |   |                     |                              | vendor<br>payments. | confirmation process<br>before<br>processing<br>vendor<br>payments. |

However, currently the payment has been made by the Company under above applicable acts but any further demand or penalty raised by concerned authorities in future for any previous year and current year will affect the financial position of the Company. For detail, please refer “Outstanding Litigations and Material Developments” beginning on page 283 of Draft Red Herring Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

**20. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Price Band to be decided by the Company in consultation with the Book Running Lead Manager in accordance with the SEBI ICDR Regulations.**

Average cost of acquisition of Equity Shares of our Promoters could be lower than the Price Band to be decided by our Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “Summary of Offer Document” and “Capital Structure” beginning on page 26 and 91 of this Draft Red Herring Prospectus.

Our Promoters’ average cost of acquisition of Equity Shares in our Company are as follows:

(₹ in Lakhs)

| Sr. No. | Name of Promoters             | No of Equity Shares held** | Average cost of Acquisition (in ₹) * |
|---------|-------------------------------|----------------------------|--------------------------------------|
| 1.      | Mr. Ashraf P                  | 16,58,630                  | 10.29                                |
| 2.      | Mr. Kunhimohamed P            | 12,37,500                  | 7.23                                 |
| 3.      | Ms. Fathima Jasna Kottekkattu | 2,15,400                   | 6.50                                 |

\*As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.

The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

\*\*Pursuant to a resolution passed by our Board in its meeting held on February 02, 2024, and approved by the Shareholders at their meeting held on March 11, 2024, each fully paid-up Equity Share of our Company having face value of ₹100 was sub-divided into 10 Equity Shares of face value of ₹10 each. The impact of such sub-division of shares has been considered for the computation of weighted average cost of acquisition.

**21. Our promoter group entities and one of the Group Company is in the same line of business and consequently the interest of these entities and Company may be in conflict with the interest of our Company.**

Our promoter group entities and one of the Group Company viz A J C Jewellery Trading L.L.C, AJC Jewel Manufacturers (FZE) and Vismaya Gold are in the same line of business products in which our Company operates. Our promoter group entities and one of the Group Company and our Company operates in the same line of Gold Jewellery Industry. Our Promoter group entity and Group Company namely A J C Jewellery Trading L.L.C is in the business of trading 22k and 18k Gold jewellery, sourcing products from both Local and international suppliers in United Arab Emirates. Our Promoter Group Entity namely AJC Jewel Manufacturer (FZE) is in the business of manufacturing casting jewellery items like rings, pendant, bracelet, bangles, neckless, anklets, earrings. Also, another promoter group entity namely Vismaya Gold is in the business of wholesale and retail trading of gold jewellery on small scale basis. This may lead to potential conflict of interest between us and these entities. There can be no assurance that our promoter group entities and one of the Group Company

will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours in domestic and International Market. Any such present and future conflicts could have a material adverse effect on our Reputation, Business, Results of Operations and Financial Condition of the Company.

**22. We derive a significant portion of our revenue from Studded Jewellery, Plain Gold Jewellery, Named Jewellery and Rose Gold Jewellery, any reduction in demand or in the production of such products could have an adverse effect on our business, results of operations and financial condition.**

We derive a significant portion of our revenue from Studded Jewellery, Plain Gold Jewellery, Named Jewellery and Rose Gold Jewellery. For the period ended December 31, 2024 and financial years 2024, 2023 and 2022, our revenue from Studded Jewellery, Plain Gold Jewellery, Named Jewellery and Rose Gold Jewellery is as tabulated below:

| Product Wise Sales |                 | For the period ended December 31, 2024 |                     |              | FY 2023-24         |                     |              | FY 2022-23         |                     |              | FY 2021-22         |                     |              |
|--------------------|-----------------|--|---------------------|--------------|--------------------|---------------------|--------------|--------------------|---------------------|--------------|--------------------|---------------------|--------------|
| Sr No.             | Product         | Units                                  | Amount (₹ in lakhs) | % of Revenue | Units              | Amount (₹ in lakhs) | % of Revenue | Units              | Amount (₹ in lakhs) | % of Revenue | Units              | Amount (₹ in lakhs) | % of Revenue |
| 1                  | Named Jewellery | 16,206.12                              | 1,109.47            | 6.34%        | 34,618.61          | 1,931.28            | 7.85%        | 29,184.32          | 1,463.41            | 7.54%        | 0.00               | 0.00                | 0.00%        |
| 2                  | Plain Gold      | 1,12,684.11                            | 5,856.80            | 33.45%       | 2,35,239.60        | 13,120.87           | 53.37%       | 2,20,864.43        | 11,075.57           | 57.04%       | 1,45,795.43        | 6,718.95            | 52.74%       |
| 3                  | Studded Gold    | 80,554.43                              | 7,372.28            | 42.12%       | 1,62,774.50        | 9,081.40            | 36.93%       | 1,31,721.07        | 6,604.68            | 34.01%       | 1,27,353.61        | 5,869.00            | 46.07%       |
| 4                  | Others          | 39,765.34                              | 3,166.21            | 18.09%       | 6,726.39           | 455.44              | 1.85%        | 3,000              | 274.48              | 1.41%        | 1,316.30           | 151.15              | 1.19%        |
|                    | <b>Total</b>    | <b>2,49,210</b>                        | <b>17,504.76</b>    | <b>100%</b>  | <b>4,39,359.10</b> | <b>24,588.99</b>    | <b>100%</b>  | <b>3,84,769.82</b> | <b>19,418.14</b>    | <b>100%</b>  | <b>2,74,465.34</b> | <b>12,739.10</b>    | <b>100%</b>  |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025 as per the audited financial statements for the for the period ended December 31, 2024 financial years ended March 31, 2024, 2023 and 2022.

For details, please see “Our Business -Product Portfolio” on page 159 of this Draft Red Herring Prospectus.

Accordingly, our revenues are dependent on the end customer preferences and demand of Gold. However, our revenue may decline as a result of, amongst other, (i) increased competition; (ii) shifting in Customers preferences and demand; (iii) pricing pressures; and (iii) regulatory action, which could have an adverse effect on our business and sales to our customers would decline substantially. We cannot assure that we shall generate the same quantum of business, or any business at all, from these product categories, which may adversely affect our revenues and profitability. However, the composition and revenue generated from these products might change as we continue to add new products in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

**23. A significant portion of our manufacturing work is done by CAD designers who work exclusively for us, any loss of our designers or our inability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.**

Most of our jewellery products are designed by experienced and skilled CAD Designers which forms a major part of our manufacturing process. We do not enter into any written arrangements with them for the work undertaken by them and even they have been working with us for significantly long period. Since we do not enter into any agreements with them and there is a chance of them not looking interested in our business and work culture and also our competitors may offer them better terms, which may cause them to prefer our competitors over us. In case some or all of such CAD designers

decide to not undertake design work of our jewellery products, we will have to strain our resources to find other designers who may not agree to commercially acceptable terms or at all. Further, since there is no Agreement with the designers and are not bound by any covenant or restriction, our jewellery designs may still be shared openly in the market which may damage our results of operations. Further, our designs may be copied by our competitors which could decrease our capability to compete with them and which could further impact our profitability and future revenues.

Our Company has engaged the services of many designers as on the date of this Draft Red Herring Prospectus. The Designers are also exposed to operating risks such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, other natural disasters and industrial accidents and shortage of skilled and unskilled manpower. The occurrence of any of these events could have a material adverse effect on our business, financial condition and results of operations.

**24. *Our Registered Office and Manufacturing Facility both are situated at the same place and are not owned by us. In the event of any disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors, our Business, Financial Condition and Results of Operations and Cash Flows could be adversely affected.***

Our Registered Office and Manufacturing Facility are situated at the same location situated at 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala, India, 676519 which is not owned by us and is taken on lease basis pursuant to Lease agreement dated October 19, 2023, entered into between INKEL-KSIDC Projects Limited and our Company and also the lessor has given us a no objection certificate for the same to use the premises as registered office of the company. For further details, see chapter titled “*Our Business*” beginning on page 153 of this Draft Red Herring Prospectus. The lease is for the tenure of 82 years. Upon termination of the lease, we are required to return the said business premises to the Lessor, unless renewed. There can be no assurance that the terms of the agreement will be renewed and in the event the Lessor terminates or does not renew the agreement 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 agreement. We may have to find new premises which may lead to higher costs.

**25. *Our existing manufacturing facility and registered office are concentrated in a single region i.e., Malappuram in the state of Kerela and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Kerela and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.***

Our manufacturing facility and registered office is located at Inkel Edu City in the district of Malappuram in the state of Kerela which exposes us to a risk of concentration. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state government or local governments in this region could adversely affect manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

**26. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We are governed by various laws and regulations for our business and operations. We are required and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions. Further we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to change in name and conversion of company to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, there can be no assurance that the relevant authority will issue or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “*Government and Other Approvals*” on page 289 of this Draft Red Herring Prospectus.



Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

**27. *Under-utilization of our existing manufacturing facility and an inability to effectively utilize our manufacturing capacities could have an adverse effect on our business, future prospects, and future financial performance.***

Our ability to maintain our profitability depends on our ability to optimize our product mix, hence, the level of our capacity utilization can impact our operating results. Our capacity utilization levels are dependent on the availability of raw materials, industry/market conditions as well as the requirements of our customers. In the event we face disruptions at our manufacturing facility including as a result of labour unrest or we are unable to procure sufficient raw materials, this could result in operational inefficiencies, which could have a material effect on our business and financial condition as we will be unable to achieve full capacity utilization of our current manufacturing facility. The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs. For further information, see chapter titled “Our Business” under section “Capacity and Capacity Utilisation” on page 180. Under-utilization of our manufacturing capacity over extended periods, or significant under-utilization in the short term, could materially and adversely impact our business, growth prospects and future financial performance.

**28. *The seasonality of our business affects our quarterly results and places an increased strain on our operations.***

Our Company have historically experienced seasonal fluctuations in the sales, with higher sales volumes associated with the festive sale period in the third quarter of each Fiscal, which encompasses holidays such as Dhanteras. Similarly, we witness higher sales in a specific period of the first quarter during Akshay Tritiya and fourth quarter of each Fiscal. We also witness higher sales in the period around Valentine’s Day. Our Company expect to continue to experience seasonal trends in our business, making results of operations variable from Quarter to Quarter. This variability can make it difficult to predict sales and can result in fluctuations in our revenue or profitability between periods. Any slowdown in demand for our jewellery during peak seasons or failure by us, to manufacture and stock the popular products in sufficient quantity or to develop sufficient fulfilment and delivery capacity to meet customer demand during periods of seasonal or peak demand, could adversely affect customer experience and our results of operations. Further, lower than expected net sales during certain periods or more pronounced seasonal variations in sales in the future could have a disproportionate impact on our operating results for any Fiscal or could strain our resources and impair our cash flows.

During period of high order volume, which typically occurs in the first and fourth quarter of each Fiscal, we may also experience an increase in our fulfilment and logistics costs due to split-shipments, air-shipments, changes to our fulfilment and logistics network, and other arrangements necessary to ensure timely delivery. In addition, during times of increased seasonal or peak demand, it is possible that too many customers may attempt to access our websites within a short period of time, which may cause us to experience system interruptions that result in our websites temporarily being unavailable or prevent us from efficiently fulfilling orders. In addition, we may be unable to adequately staff our fulfilment and delivery network, including our customer service centers, or may be unable to avail of adequate third party delivery service providers during these peak periods, which may impact our ability to satisfy seasonal or peak demand.

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

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory, purchase of raw materials and our development of new products which may be adversely affected by changes in terms of credit and payment. A large amount of our working capital is blocked in trade receivables and inventories. Delays in payment under on-going purchase orders or reduction of advance payments and/or accelerated payments to suppliers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded. We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all etc, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations.

Further, we may need to seek funding through additional borrowings or securities offerings. We cannot assure you that such funding will be obtained in a timely manner, on satisfactory terms, or at all. Moreover, if we raise additional debt, our interest expense will increase and our debt covenants under our existing loans may be impacted.

Since gold metal loans carry lower rate of interest as compared to other working capital loans, any change in the mix of gold metal loans to other working capital loans may result in an increase in interest costs. We have in the past, and we may even in the future continue, to rely on financial support from our Promoters. Prudential norms including single and group borrower concentration limits prescribed by the RBI to bank lenders in India (as well as corresponding limits under our financing arrangements with such bank lenders) may restrict our ability to seek additional credit facilities from our current bank lenders to fund our business requirements in the future. Therefore, we may be required to maintain multiple banking relationships on an ongoing basis or enter into new banking relationships in the future. We cannot assure you that new bank credit facilities will be available to us in a timely manner, on commercially viable terms, or at all. As on March 15, 2025, the aggregate outstanding secured borrowings of our Company, is ₹ 2,865.76 Lakhs. Our Company proposes to utilize an estimated amount of ₹800.00 Lakhs from the Net Proceeds towards part or full repayment and/or prepayment of borrowings availed by us, however, any fluctuations in interest rates may directly impact the interest costs of such loans and in particular, any increase in interest rates could adversely affect our results of operations. Further, our indebtedness means that a material portion of our expected cash flow may be required to be apportioned towards payment of interest on our indebtedness, thereby reducing the funds available to us for use in our business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

**30. *One of our Promoter and Company Secretary and one of the independent director does not file ITR for any of the financial years.***

Our one of Promoter, Ms. Fathima Jasna Kottekattu and Ms. Reshmi N K, company secretary and compliance officer of our company does not file the ITR for the past financial years as their income does not exceeds the exemption limit. Further our independent director, Mr. Afnas is a NRI and does not file any return for his income in India. We can't assure you that back-ups for the relevant copies of ITR will be available in a timely manner or at all in near future.

**31. *Our Promoter & Executive Director and Whole Time Director have completed intermediate education only, the disclosure with respect to their qualification is limited to the extent of the affidavit provided by them and the same is relied upon, there are no concrete back-ups which are made available or which may be made available in near future with respect to the said directors.***

One of our Promoter & Executive Director, Ms. Fathima Jasna Kottekattu and Whole Time Director, Mr. Mohamedali Cheruparambil have completed intermediate education only, for which we have taken affidavit from the concerned persons, since the disclosure made in this Draft Red Herring Prospectus is limited to the extent of the information provided in an affidavit, and the same is relied upon, however, we cannot assure you that back-ups for the relevant copies of the above mentioned educational qualification will be available in a timely manner or at all in near future.

**32. *Our ability to anticipate changes in Industry trends to meet customers' demands and any variations in the Government Regulations/policies or Technology Upgradation is a significant factor to remain competitive, any failure to identify and understand the trends may materially adversely affect our Business.***

Changes in Regulatory or Industry requirements, variation in any of the Government policies or Competitive Technologies may render certain of our products obsolete. Since our Business is Customer centric, our ability to anticipate changes in Technology and Regulatory standards and to successfully introduce new and enhanced products on a timely basis is a significant factor to remain competitive. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our Business and our Results of Operations may be adversely affected. We are also subject to the risks generally associated with new products and applications, including lack of market acceptance and failure of products to operate properly. Customer preferences in the markets we operate are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. To compete effectively in the industry, we must be able to produce new products to meet our customers' demands in a timely manner. Our failure to successfully produce new products could materially and adversely affect our Results of Operations.

**33. *Exchange rate fluctuations may materially and adversely affect our business, financial performance, cash flows and prospects as some portion of our revenues and expenditures are denominated in foreign currencies.***

We had in the past undertaken operations in other countries. Emerging markets are vulnerable to market and economic volatility to a greater extent than more developed markets, which presents risks to our business and operations. This exposes us to foreign exchange related risks as a portion of our revenue from operations with customers from international market.

The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and our business, results of operations, financial condition and cash flows have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our business, results of operations, financial condition and cash flows. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards.

While we have entered into foreign transactions in the FY 2023-2024, our ability to foresee future foreign transactions and currency fluctuations to be limited. Further, due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Indian Rupee. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability to manage such risk may harm our business, results of operations, financial condition and cash flows and cause our results to fluctuate and/or decline. We may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies in future.

**34. Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoters, Directors, Key Managerial Personnel, Senior Management or our inability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.**

Our success largely depends upon the knowledge and experience of one of our Promoters and Managing Director Mr. Ashraf P and our Key Managerial Personnel, Senior Management Personnel and also on our ability to attract and retain skilled personnel. However, any loss of our Promoters, Directors, Key Managerial Personnel and Senior Management or our inability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of one of our Promoters Mr. Ashraf P for development of business strategies, monitoring his successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Directors, Key Managerial Personnel and Senior Management Personnel. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Directors, Key Managerial Personnel or Senior Management Personnel are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

The following table sets forth attrition rate of our employees for the period indicated:

| Attrition Rate <sup>(1)</sup>                   | For the period ended February 28, 2025* | Financial 2023-2024 |
|---|---|---------------------|
| Attrition Rate (%)#                             | 57.67%                                  | 44.68%              |
| No. of employees who resigned during the period | 47                                      | 42                  |

<sup>(1)</sup>Calculated as the number of employees that left during a period over the average number of employees for the period. The average number of employees for a period is calculated as the average of the number of employees at the beginning of the period and the number of employees at the end of the period.

\*Kindly note that list of employees is provided as at February 28, 2025, hence, the attrition period is also taken as February 28, 2025.


#Kindly note that the percentage of attrition rate include the KMP as well as SMP of our company.

There is a significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial

condition and results of operations may be adversely affected. For further information, see “Our Management” on page 202 of this Draft Red Herring Prospectus.

35. ***Our Company’s logo and brand name “” is currently not registered with Registrar of Trademark; any infringement of our logo and brand name or failure to get it registered may adversely affect our Business. Further, any kind of negative publicity or misuse of our logo and brand name could hamper our Goodwill and our future Growth Strategies could be adversely affected.***

Our Company has made an application for registration with the Registrar of Trademark for registration of logo and brand

name “” under class 14 and 35 as device mark, application of which is under formality check pass. If we are unable to register the Intellectual Property in the future in our name or any objection on the same may require us to change our logo and brand name, we may lose the goodwill created so far. Further, the same may involve costly litigations and penal provisions if some legal consequences arise if someone from outside uses logo and brand name of the Company. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our Brand. We cannot guarantee that we will be able to make a lasting brand image with our clients and other people in the absence of a logo and brand name. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our Business Values and our Operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our Business, Financial Condition and Results of Operations.

36. ***The orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations.***

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control caused by matters such as acts of God, strikes, civil commotion, riots, war, revolution, acts of governments, lack of adequate production capacity, breakdown of machinery, shortage of raw materials, etc. or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers’ discretion or delay in procurement of raw material or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

37. ***If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks. Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. We cannot assure you that deficiencies in our internal controls will not arise in the future, 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. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may affect ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, which may in turn adversely affect our business, financial condition or results of operations. Further, given the high volume of transactions we process on a daily basis, notwithstanding the internal controls that we have in place, we may be exposed to the risk of fraud or other misconduct by employees, contractors, or customers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

**38. *Our inability to effectively manage our growth could have an adverse effect on our business, results of operations and financial condition.***

We have experienced considerable growth over the past years and we have significantly expanded our operations and product portfolio. Our total revenues grew from ₹ 19,424.78 lakhs for the financial year 2023 to ₹ 24,684.14 lakhs for the financial year 2024 and ₹ 17,552.73 Lakhs for the period ended December 31, 2024, while our profit for the year grew from ₹ 203.89 lakhs for the financial year 2023 to ₹ 331.94 lakhs for the financial year 2024 and ₹ 185.32 Lakhs for the period ended December 31, 2024. Our revenue and profits for the financial year ended 2022 stood at ₹ 12,739.68 lakhs and ₹ 126.19 lakhs respectively. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate. Our inability to manage our business plans effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. Further, our future prospects will depend on our ability to grow our business and operations, which could be affected by many factors, including our ability to maintain the quality of our products, general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and raw materials, energy supply and currency exchange rates.

In order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs or operate our business effectively. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to select and retain key managerial personnel. We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations, or establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

**39. *We are subject to strict quality requirements and any product defects or any failure by us to comply with quality standards may lead to the cancellation of existing and future orders, product recalls and exposure to potential product liability claims, warranty claims and other disputes.***

We face an inherent business risk of exposure to product defects. We may not be able to meet regulatory relevant quality standards in India, or the quality standards imposed by our customers and applicable to our manufacturing processes, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

If any of our products do not meet regulatory standards, we may be, inter alia, (i) required to replace, recall or redesign such products or (ii) incur significant costs to defend any such claims.

Through years of field application experience, we have designed products that meet the stringent requirements of today's flow control in Industry. Gold is one of the products which requires purity certifications. Quality & reliability is an integral part of our practice and culture that guides our actions to deliver Products and Services that are safe and in line of near Zero Emission Technology.

The failure by us or any of our suppliers to achieve or maintain compliance with regulatory requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or, until a new supplier has been identified and evaluated. We have implemented quality control processes and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by our workers on the basis of our internal quality standards. However, we cannot assure you that our workers will always adhere to such standards and that our quality control processes will not fail or the quality tests and inspections conducted by us are accurate at all times. There is no assurance that our products will always meet the satisfaction of our customers' quality standards. Although we have not faced any failure to comply with applicable regulations in the past, we cannot assure in future if our failure to comply with applicable regulations could cause adverse consequences to be imposed on us, including fines, injunctions, civil penalties, the refusal of regulatory authorities to grant approvals or renewal, delays, suspensions or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, all of which could harm our business. There can be no assurance that if we need to engage new suppliers to satisfy our business requirement, we will be able to locate new suppliers in compliance with regulatory requirements in a timely manner, or at all. Failure to do so could lead to the cancellation of existing and future orders and have a material adverse effect on our business and revenue.

**40. *We have taken guarantees from our promoters in relation to Debt Facilities provided to us, in an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities.***

We have taken guarantees from our promoters in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Financial Indebtedness*” beginning on page 270 of this Draft Red Herring Prospectus.

**41. *We have incurred indebtedness. In addition, certain of our financing agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.***

Our company operates in the industry which is capital intensive in nature, and we fund a large part of our operations through financing from banks. As on December 31, 2024, we had total financial indebtedness of ₹ 1,841.40 lakhs. For further information on our secured borrowings, see “*Financial Indebtedness*” on page 270 of this Draft Red Herring Prospectus. We usually finance our working capital requirements mainly through our internal accruals and arrangements with banks. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Our Company proposes to utilize an estimated amount of ₹800.00 Lakhs from the Net Proceeds towards part or full repayment and/or prepayment of borrowings availed by us, however, any fluctuations in interest rates may directly impact the interest costs of such loans and in particular, any increase in interest rates could adversely affect our results of operations.

Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. We are susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates and the lenders are entitled to charge the applicable rate of interest, which is a combination of a base rate/MCLR rate that depends upon the policies of the RBI and a contractually agreed spread. Further, in recent years, the GoI has taken measures to control inflation, which included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows, and financial condition.

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

Further, if the Company fails to fulfil the conditions of loan arrangement with few or all of the Banks or Financial Institution then it will substantially affect our reputation in the industry which may result in losing the major Customers.

**42. *In addition to normal remuneration, other benefits and reimbursement of expenses some of our directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our directors (including our Promoters) are interested in our Company to the extent of their shareholding in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our directors would always exercise their rights as shareholders to the benefit and best interest of our Company. For further information, see the heading titled “*Interest of Our Directors*” and “*Interest of Our Promoters*” under the chapters titled “*Our Management*” and “*Our Promoters and Promoter Group*” beginning on page 202 and 218 respectively of this Draft Red Herring Prospectus and the section titled “*Financial Information*” beginning on page 227 of this Draft Red Herring Prospectus.

**43. *We are dependent on third-party transportation providers for the supply of raw materials and finished products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We use third party transportation providers for the delivery of our raw material and finished products. Generally, for the finished products, the customers collect their products from our registered office and manufacturing facility, however, for few of the products for which the transportation is our responsibility, we rely on various forms of transportation to receive raw materials required for our products and to deliver our certain finished products to our customers. However, unexpected delays in those deliveries, including, transportation strikes or increases in transportation and fuel costs, could significantly decrease our ability to make sales and earn profits. We may suffer losses due to damage or loss of raw materials and finished products in transit which may occur due to accidents or natural disasters and the insurance obtained may not cover the accidents which are caused due to our irresponsibility. Manufacturing delays or unexpected demand for our products may also require us to use faster, but more expensive, transportation methods, which could adversely affect our gross margins. In addition, labour shortages or labour disagreements in the transportation or logistics industries or long-term disruptions to the national and international transportation infrastructure may lead to delays or interruptions of deliveries could materially adversely affect our business. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, majority of our sales and purchases are indigenous, consequently, we are directly linked to India's physical infrastructure which is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

**44. *Our inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations and financial condition.***

Our business depends on our estimate of the demand for our products from customers. As is typical in the jewellery industry, we maintain a reasonable level of inventory of raw materials, work in progress and finished goods. However, if we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand and price for our products and accordingly, plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. If we overestimate demand, we may incur costs to build capacity or purchased more raw materials and manufacture more products than required. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

Our ability to maintain as well as expand our international operations is dependent on us providing our products at prices competitive with international as well as local manufacturers. Further, a majority of our business involves having robust supply networks in place. To that extent, if any of our competitors is able to garner a better and more cost-efficient supply network, they may be able to provide their products at competitive prices as compared to us. Our inability to price our products at the applicable prices in the international markets, may affect the demand for our products and consequently have a material adverse effect on our results of operations and financial condition.

**45. *Failure or disruption of our information technology systems may adversely affect our business, financial condition, results of operations, cash flows and prospects. Also, our inability to meet the changes in technology or advancement requirements in our current manufacturing process, may render our current technologies obsolete or may require additional investments which may have an adverse effect on the Business, financial condition and results of operations.***

We have implemented an information technology software for order management system and also uses CAD software for designing our jewellery for our operations. However, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Our ability to keep our business operating depends on the proper and efficient operation and functioning of the information technology systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunction or disruptions could interrupt our business operations and result in economic losses. Any failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

There is no assurance that we will not experience disruption in our information technology systems in the future and we will be able to remedy such disruption in timely manner, or at all. Any such disruption of our information technology systems could have a material adverse effect on our business, results of operation and financial condition.

Any failure in overhauling or updating our information technology systems in a timely manner could cause our operations to be vulnerable to external attacks and inefficient. Hence, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to conduct our normal business operations, which may materially adversely affect our business, financial condition, results of operations, cash flows and prospects. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete.

Technology advancement and upgradation is essential in our industry to keep up with an increasing demands in the market and make the process smooth in terms of manufacturing larger output. However, our technology may become obsolete and Company would then require to make substantial amounts of investments to strive to keep our technology in line with the latest technological standards.

Further, the cost that may be involved in upgrading to the latest technology and modernization in the current manufacturing facility may adversely affect the Business and results of operations of the Company.

- 46. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and we have not entered into any definitive arrangements to utilize the Net Proceeds of the Issue and the Objects have not been independently appraised by a bank or a financial institution. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use the Net Proceeds of the Issue for the purposes described in the section titled "Objects of the Issue" on page 107. The Objects of the Issue are: a) Funding of capital expenditure requirements for purchase of new Equipment by our Company, b) Repayment/prepayment of all or certain of our borrowings availed of by our Company and c) General Corporate Purposes.

The Objects of the Issue have not been appraised by any bank or financial institution and certain our funding requirement is based on current conditions, internal estimates and are subject to changes in external circumstances or costs or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Such internal estimates may differ from that of any third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements and may have an adverse impact on our business, results of operations, financial condition and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds. Further, pursuant to Section 27 of the Companies Act, 2013, any variation in the Objects of the Issue would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at such price and in such manner in accordance with applicable law.

- 47. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] % of the Issue Proceed.***

As on date, we have not identified the use of such funds. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] % of the Issue Proceed. The deployment of such funds is entirely at the discretion of our management subject to the applicable laws and in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled "*Objects of the Issue*" beginning on Page No. 107 of this Draft Red Herring Prospectus.

- 48. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since, the Proceeds from the Issue is less than ₹ 5,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue as per SEBI (ICDR) Regulations, 2018, as amended from time to time. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, as per the Section 177 of the Companies Act, 2013, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable laws, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

- 49. *Our business may expose us to potential product liability claims, which could adversely affect our results of operation, goodwill and the marketability of our products.***



While we are not directly exposed to potential product liability claims given the nature of our business, we may be exposed to certain risks associated with the purchase orders issued by us and the severity and timing of such claims are unpredictable. We face the risk of loss resulting from and the adverse publicity associated with lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. Such claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful claims would likely require us to incur substantial amounts on litigation and require our management's time and focus. Any loss of our reputation or brand image may lead to a loss of existing business contracts and affect our ability to enter into additional business contracts in the future, which may have an adverse effect on our business, results of operations, financial condition and cash flows. Accordingly, such claims, may adversely affect our results of operation, goodwill and the marketability of our products.

**50. *Employee misconduct including misuse of confidential data and failure to maintain confidentiality of information could harm us and is difficult to detect and deter.***

We could be harmed by employee misconduct if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the orders. While there have been no instances during the period ended December 31, 2024 and last three financial years of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if unsuccessful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks, or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation.

**51. *We have significant power requirements and any disruption to power sources could increase our production costs and adversely affect our results of operations and cash flows.***

We require substantial power for our manufacturing facility which represent a portion of the production costs for our operations. If power costs were to rise, or if electricity supplies or supply arrangements were disrupted, our profitability could decline. Power prices can be affected by numerous factors beyond our control, including global and regional supply and demand, carbon taxes, inflation, political and economic conditions and applicable regulatory regime.

We source most of our electricity requirements for our manufacturing facility from local power supplier or state electricity boards. If our electricity suppliers increase the price for electricity, our cost of production and profitability would be materially adversely affected. Further, natural disasters or adverse conditions may occur in the geographical areas in which we operate including severe weather, tropical storms, floods, excessive rainfalls as well as other events beyond our control. If for any reason electricity is not available, we may need to shut down our plant until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress. However, our Company have suitable power back-up to meet power failure exigencies such as diesel generator sets.

**52. *We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.***

Our operations generate pollutants and waste. We are therefore subject to a wide range of laws and government regulations, including in relation to safety, health, labour, and environmental protection. These safety, health, labour and environmental protection laws and regulations impose controls on air and water release or discharge, storage handling, the management, use, generation, treatment, processing, handling, storage, transport or disposal of hazardous materials, including the management of certain hazardous waste, and exposure to hazardous substances with respect to our employees, along with other aspects of our manufacturing operations. For instance, there is a limit on the amount of pollutant discharge that our manufacturing facility may release into the air and water. Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our

operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation, being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits or shutdown of our manufacturing facility. While there have been no material violations in the past, there can be no assurance that any material violation may not occur in the future which could have an adverse effect on our business, results of operations and financial condition.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we may incur substantial costs, our products could be restricted from entering certain markets and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict. We are also subject to the laws and regulations governing employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

**53. *We may not be fully insured for all losses we may incur.***

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions, limitations of liability set forth in our contracts may not be enforceable in all instances or may not otherwise protect us from liability for damages.

In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under those agreements. We face the risk of loss resulting from and the adverse publicity associated with, lawsuits, whether or not such claims are valid. We have taken various insurance policies, details of which is mentioned in the section titled, “*Insurance*” under the chapter titled, “*Our Business*” on page 153 of the Draft Red Herring Prospectus. Although we believe we have adequate insurance coverage but that coverage may not continue to be available on reasonable terms or to be available in sufficient amounts to cover one or more large claims and our insurers may disclaim coverage as to any future claim. Insurance coverage may be an inadequate remedy where the loss suffered is not easily quantifiable, for example, in the event of severe damage to our reputation. The successful assertion of one or more large claims against us that exceed available insurance coverage or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

**54. *Our commercial success depends on the success of our customer’s products with end customers. Any decline in the demand for our customer’s products would adversely impact the demand for our products.***

Our products are used by our customers and further sold in retail market to the end customers. Our commercial success also depends to a large extent on the success of our customers’ products with end user. The success of the end products manufactured by our Company depends on our customers’ ability to identify early on and correctly assess retail market preferences. We cannot assure you that our customers will correctly assess end user preferences in a timely manner or that demand for goods in which our products are used will not decline. If the demand for the products in which our products are used declines, it could have a material adverse effect on our business, financial condition and results of operations.

**55. *We might infringe upon the intellectual property rights of others and may be susceptible to claims from third parties, affecting our operations and financial condition.***

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers; (b) result in costly litigation; (c) cause product shipment delays or stoppages; (d) divert management’s attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. During the period

ended December 31, 2024 and in the last three financial years 2024, 2023 and 2022 we have not been involved in litigation or incurred litigation expenses in connection with third party intellectual property rights, in the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, financial condition and results of operations.

**56. *We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.***

We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows. For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 283 of this Draft Red Herring Prospectus.

**57. *We have not commissioned an industry report for the disclosures made in the section 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 section titled “*Industry Overview*” beginning on page 130 of this Draft Red Herring Prospectus. 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 Draft Red Herring Prospectus. Further, the industry data mentioned in this Draft Red Herring Prospectus 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 Draft Red Herring Prospectus in this context.

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

After the completion of the Issue, our Promoters and Promoter Group is expected to hold [●] % of the Post Issue Equity Share Capital. Further, the involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoters may have a material adverse effect on our business and prospects.

Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders’ approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the Promoters’ shareholding may limit the ability of a third party to acquire control. The interests of our Promoters and Promoter Group, as our Company’s controlling shareholder, could conflict with our Company’s interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company’s or in investor favor.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 226 of this Draft Red Herring Prospectus.

**60. *The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of our Equity Shares has been determined by book building method. These will be based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 118 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control.

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

Our restated financial statements, including the financial statements provided in this Draft Red Herring Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled “Presentation of Financial Industry and Market Data” beginning on Page 22 of this Draft Red Herring Prospectus.

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

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

## **EXTERNAL RISKS**

**62. *An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.***

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

**63. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the stock exchange(s) in a timely manner or at all.***

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

**64. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other shareholders may adversely affect the trading price of the Equity Shares.***

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

**65. *There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any time.

**66. *You 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 in an Indian company is generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. 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. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

In terms of the Finance Act, 2024, with effect from July 23, 2024, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 12.50%, where the long-term capital gains exceed ₹125,000, subject to certain exceptions in case of resident individuals and Hindu Undivided Families. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

The Government of India announced the Union Budget for Fiscal 2025, pursuant to which the Finance Bill 2025 proposes various amendments. Further, the Income Tax Act, 1961 is proposed to be amended. We cannot predict whether the amendments proposed to be made pursuant to the Finance Act, 2025 or the Income Tax Act, 1961 would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing 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.

**67. *Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.***

Our operations including our offices may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our offices. Any of the above factors may adversely affect our business, financial condition and results of operations. India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

**68. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**69. *Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by Reserve Bank of India. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the approval of the Reserve Bank of India will be required for transaction to be valid.

Additionally, Shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital.. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all.

**70. *Our business is substantially affected by prevailing economic, political, social and other conditions which may harm our ability to do business, increase our costs and negatively affect our stock price.***

We are incorporated in and all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in Indian interest rates or inflation;

- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- 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;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our supply chain, manufacturing facility and distribution network in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

***71. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

***73. The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

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.

***74. Changing regulations in India could lead to new compliance requirements that are uncertain. The regulatory environment in which we operate is evolving and is subject to change.***



The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Additionally, SEBI has issued a notification in the official Gazette vide notification no. SEBI/LAD-NRO/GN/2025/233 dated March 03, 2025 and has amended various regulations of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and has introduced SEBI (Issue of Capital and Disclosure Requirements) (Amendment), Regulations, 2025, which also includes the amendments pertaining to the SME IPO's for the Company's getting listed over SME platforms of the stock exchanges which includes, the amendments made in the categories of allocation in case of Book Built Issue. We cannot predict whether the amendments made pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Amendment), Regulations, 2025 would have an adverse effect on our business, financial condition. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations governing 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.

Further, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2024 ("Finance Bill"), has introduced various amendments. The Finance Bill has received assent from the President of India on February 15, 2024, and has been enacted as the Finance Act, 2024. We cannot predict whether any amendments made pursuant to the Finance Act, 2024 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

Further, The Government of India announced the Union Budget for Fiscal 2025, pursuant to which the Finance Bill 2025 proposes various amendments. Further, the Income Tax Act, 1961 is proposed to be amended. We cannot predict whether the amendments proposed to be made pursuant to the Finance Act, 2025 or the Income Tax Act, 1961 would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing 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.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. 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, financial condition, results of operations and prospects.

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

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The



Consumer Price Index increased from 3.4% (average) in Fiscal 2019 to 4.8% (average) in Fiscal 2020 to an estimated 6.2% (average) in Fiscal 2021 although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. In February 2022, hostilities between Russia and the Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which could have an inflationary effect in India. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, raw materials and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

***76. A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian Law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

***77. Our Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Our Company and the Book Running Lead Manager will appoint Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of the Equity Shares has been determined by our Company in consultation with the BRLM through the Book Building Process.

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

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 in the past experienced substantial dislocations, liquidity disruptions and market corrections.

***79. Rights of shareholders of companies under Indian law may be different compared to the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

- 80. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Individual Investors are not permitted to withdraw their Bids after Bid/ Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations and amendments thereto, Qualified Institutional Buyers and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Individual Investors can revise or withdraw their Bids at any time during the Bid/ Issue Period and until the Bid/ Issue Closing Date, but not thereafter. Therefore, Qualified Institutional Buyers and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

## SECTION IV – INTRODUCTION

### THE ISSUE

| <b>PRESENT ISSUE OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b> |  |
|--|--|
| <b>Equity Shares Issued</b> <sup>(1)(2)</sup>  | Up to 16,20,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs     |
| <b>Out of which:</b>   |  |
| <b>Issue Reserved for the Market Maker</b>   | Up to [●] Equity Shares of face value of ₹10/- each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs        |
| <b>Net Issue to the Public</b>   | Up to [●] Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs |
| <b>Out of which*</b>   |  |
| <b>A. QIB Portion</b> <sup>(3)(5)</sup>  | Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs.   |
| <b>Of which:</b>   |  |
| i) Anchor Investor Portion <sup>(4)</sup>  | Up to [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed)                         | Up to [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| <b>Of which:</b>   |  |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)                      | Up to [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds                                     | Up to [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| <b>B. Non-Institutional Portion</b> <sup>(3)</sup>   | Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs  |
| <b>C. Individual Investor Portion</b> <sup>(3)</sup>   | Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs  |
| <b>Pre and Post – Issue Equity Shares</b>  |  |
| <b>Equity shares outstanding prior to the Issue</b>  | 44,48,360 Equity Shares of face value of ₹10/- each fully paid-up  |
| <b>Equity shares outstanding after the Issue</b>   | Up to [●] Equity Shares of face value of ₹10/- each fully paid-up  |
| <b>Use of Net Proceeds</b>   | Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 107 of this Draft Red Herring Prospectus                  |

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

#### **Notes:**

- (1) The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.
- (2) The Issue has been approved by our Board pursuant to the resolutions passed at its meetings held on September 24, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on September 25, 2024 at shorter notice.
- (3) The SEBI ICDR Regulations, 2018 and as amended thereto, permits the issue of securities to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of shares in non-institutional investors’ category the, allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule

*XIII of the SEBI ICDR Regulations 2018 and as amended thereto. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.*

- (4) *Our Company, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investors Allocation Price. In case of under-subscription or non- Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event of undersubscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. For further information, see “Issue Procedure” on page 322.*
- (5) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.*

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and Subject to the availability of shares in non-institutional investors' category, the allotment to Non- Institutional Investors shall be more than two lots which shall not be less than the minimum application size in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Further, SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual Investors applying in initial public offerings opening on or after May 1, 2022, where the Bid amount is up to ₹ 5,00,000 shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

## SUMMARY OF FINANCIAL INFORMATION

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

(₹ in Lakhs)

| Particulars   | Annexure | As at<br>December<br>31, 2024 | As at<br>March<br>31, 2024 | As at<br>March<br>31, 2023 | As at<br>March<br>31, 2022 |
|---|----------|-------------------------------|----------------------------|----------------------------|----------------------------|
| <b>EQUITY AND LIABILITIES</b>   |          |                               |                            |                            |                            |
| <b>Shareholders' funds</b>  |          |                               |                            |                            |                            |
| (a) Share capital   | V        | 444.84                        | 444.84                     | 284.32                     | 284.32                     |
| (b) Reserves and surplus  | VI       | 944.90                        | 759.58                     | 427.64                     | 223.75                     |
|   |          | 1,389.74                      | 1,204.42                   | 711.96                     | 508.07                     |
| <b>Non-current liabilities</b>  |          |                               |                            |                            |                            |
| (a) Long-term Borrowings  | VIIA     | 160.26                        | 121.03                     | 141.43                     | -                          |
| (b) Deferred tax liabilities (Net)  | XIV      | 10.00                         | 8.58                       | 5.15                       | 1.26                       |
| (c) Other Long term liabilities   | VIII     | 8.22                          | 8.22                       | 8.22                       | -                          |
| (d) Long term provisions  | IX       | 3.04                          | 16.03                      | 10.30                      | 4.63                       |
|   |          | 181.52                        | 153.86                     | 165.10                     | 5.89                       |
| <b>Current liabilities</b>  |          |                               |                            |                            |                            |
| (a) Short term borrowings   | VIIA     | 1,681.14                      | 2,127.27                   | 2,481.96                   | 660.61                     |
| (b) Trade payables  | X        |                               |                            |                            |                            |
| (i) total outstanding dues of micro and small enterprises; and                  |          | 9.76                          | 12.07                      | 1.23                       | 110.61                     |
| (ii) total outstanding dues of creditors other than micro and small enterprises |          | 13.14                         | 38.41                      | 138.96                     | 177.58                     |
| (c) Other current liabilities   | XI       | 116.43                        | 85.50                      | 68.97                      | 140.67                     |
| (d) Short-term provisions   | XII      | 36.62                         | 51.18                      | 31.74                      | 38.90                      |
|   |          | 1,857.09                      | 2,314.43                   | 2,722.86                   | 1,128.37                   |
| <b>TOTAL</b>  |          | <b>3,428.35</b>               | <b>3,672.71</b>            | <b>3,599.92</b>            | <b>1,642.33</b>            |
| <b>ASSETS</b>   |          |                               |                            |                            |                            |
| <b>Non-current assets</b>   |          |                               |                            |                            |                            |
| (a) Property, plant and equipment and Intangible assets                         |          |                               |                            |                            |                            |
| (i) Property, Plant and Equipment   | XIII     | 360.11                        | 382.30                     | 277.53                     | 117.64                     |
| (ii) Intangible assets  | XIII     | 9.85                          | 10.83                      | 11.54                      | 2.66                       |
| (iii) Capital Work in Progress  | XIII     | -                             | -                          | 59.66                      | -                          |
| (c) Deferred tax assets (net)   | XIV      | -                             | -                          | -                          | -                          |
| (d) Long-term loans and advances  | XV       | -                             | -                          | -                          | -                          |
| (e) Other non-current assets  | XVI      | 0.41                          | 1.64                       | 3.92                       | 2.97                       |
|   |          | 370.37                        | 394.77                     | 352.65                     | 123.27                     |
| <b>Current assets</b>   |          |                               |                            |                            |                            |
| (a) Inventories   | XVII     | 1,588.91                      | 1,685.53                   | 1,652.79                   | 17.50                      |
| (b) Trade receivables   | XVIII    | 1,099.95                      | 1,307.88                   | 1,458.40                   | 1,447.50                   |
| (c) Cash and cash equivalents   | XIX      | 238.18                        | 178.02                     | 65.70                      | 10.86                      |
| (d) Short-term loans and advances   | XX       | 114.36                        | 93.34                      | 64.47                      | 38.66                      |
| (e) Other current assets  | XXI      | 16.58                         | 13.17                      | 5.91                       | 4.54                       |
|   |          | 3,057.98                      | 3,277.94                   | 3,247.27                   | 1,519.06                   |
| <b>TOTAL</b>  |          | <b>3,428.35</b>               | <b>3,672.71</b>            | <b>3,599.92</b>            | <b>1,642.33</b>            |

**ANNEXURE – II: STATEMENT OF PROFIT & LOSS**

*(₹ in Lakhs)*

| Particulars                                | Annexure | For the period ended December 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|----------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Income</b>                              |          |  |                                   |                                   |                                   |
| Revenue from operations                    | XXII     | 17,504.76                              | 24,588.99                         | 19,418.14                         | 12,739.10                         |
| Other income                               | XXIII    | 47.97                                  | 95.15                             | 6.64                              | 0.58                              |
| <b>TOTAL INCOME</b>                        |          | <b>17,552.73</b>                       | <b>24,684.14</b>                  | <b>19,424.78</b>                  | <b>12,739.68</b>                  |
| <b>Expenses</b>                            |          |  |                                   |                                   |                                   |
| (a) Cost of Material Consumed              | XXIV     | 16,716.08                              | 23,536.54                         | 20,044.59                         | 12,303.56                         |
| (b) Purchase of stock-in-trade             |          | -                                      | -                                 | -                                 | -                                 |
| (c) Increase/Decrease in Stock in trade    | XXV      | 40.04                                  | (23.94)                           | (1,472.90)                        | (17.50)                           |
| (d) Employee benefits expense              | XXVI     | 305.63                                 | 436.93                            | 385.02                            | 181.31                            |
| (e) Finance costs                          | XIII     | 136.28                                 | 160.45                            | 90.94                             | 32.60                             |
| (f) Depreciation and amortisation expense  | XXVII    | 26.09                                  | 31.94                             | 24.10                             | 7.06                              |
| (g) Other expenses                         | XXVIII   | 78.94                                  | 99.81                             | 67.35                             | 57.76                             |
| <b>TOTAL EXPENSES</b>                      |          | <b>17,303.06</b>                       | <b>24,241.73</b>                  | <b>19,139.10</b>                  | <b>12,564.79</b>                  |
| <b>Profit / (Loss) before tax</b>          |          | 249.67                                 | 442.39                            | 285.68                            | 174.89                            |
| <b>Tax expenses:</b>                       |          |  |                                   |                                   |                                   |
| (a) Current tax expense                    |          | 62.93                                  | 107.02                            | 77.90                             | 48.62                             |
| (b) Earlier year Tax                       |          | -                                      | -                                 | -                                 | -                                 |
| (c) Deferred tax expense / (benefit)       |          | 1.42                                   | 3.43                              | 3.89                              | 0.08                              |
| <b>Net tax expense/(benefit)</b>           |          | 64.35                                  | 110.45                            | 81.79                             | 48.70                             |
| <b>Profit / (Loss) for the year</b>        |          | <b>185.32</b>                          | <b>331.94</b>                     | <b>203.89</b>                     | <b>126.19</b>                     |
| <b>Earnings per share (of Rs. 10 each)</b> |          |  |                                   |                                   |                                   |
| (a) Basic & Diluted                        |          | 4.17                                   | 8.24                              | 7.17                              | 4.44                              |

**ANNEXURE – III: STATEMENT OF CASH FLOW**

(₹ in Lakhs)

|          | Particulars   | For the period ended December 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|----------|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>A</b> | <b>Cash flow from operating activities:</b>                             |  |                                   |                                   |                                   |
|          | Net profit before tax   | 249.67                                 | 442.39                            | 285.68                            | 174.89                            |
|          | <b>Adjustments:</b>   |  |                                   |                                   |                                   |
|          | Depreciation & Amortisation   | 26.09                                  | 31.94                             | 24.10                             | 7.06                              |
|          | (Profit)/ Loss on sale of Fixed Assets                                  | 3.43                                   | -                                 | -                                 | -                                 |
|          | Interest Income   | (0.69)                                 | (9.41)                            | (0.44)                            | -                                 |
|          | Finance Cost  | 136.28                                 | 160.45                            | 90.94                             | 32.60                             |
|          | Provision for Gratuity  | 5.02                                   | 6.48                              | 6.95                              | 5.60                              |
|          |   | 170.13                                 | 189.46                            | 121.55                            | 45.26                             |
|          | <b>Operating cash flow before working capital changes</b>               | <b>419.80</b>                          | <b>631.85</b>                     | <b>407.23</b>                     | <b>220.15</b>                     |
|          | <b>Movement in working capital</b>                                      |  |                                   |                                   |                                   |
|          | I. Adjustments for (Increase)/decrease in operating assets :            |  |                                   |                                   |                                   |
|          | Trade receivables   | 207.93                                 | 150.52                            | (10.90)                           | (1,395.66)                        |
|          | Inventories   | 96.62                                  | (32.74)                           | (1,635.29)                        | 670.72                            |
|          | Short-term loans & advance  | (21.02)                                | (28.87)                           | (25.81)                           | (38.66)                           |
|          | Other Current Assets  | (3.41)                                 | (7.26)                            | (1.37)                            | 114.97                            |
|          |   |  |                                   |                                   |                                   |
|          | II. Adjustments for Increase/(decrease) in operating liabilities :      |  |                                   |                                   |                                   |
|          | Trade payables  | (27.58)                                | (89.71)                           | (148.00)                          | 47.86                             |
|          | Other current liabilities   | 22.71                                  | 8.31                              | (63.48)                           | (6.73)                            |
|          | Short-term provision- (Gratuity contribution to LIC)                    | (19.04)                                | -                                 | -                                 | -                                 |
|          |   | <b>256.22</b>                          | <b>0.25</b>                       | <b>(1,884.85)</b>                 | <b>(607.50)</b>                   |
|          |   |  |                                   |                                   |                                   |
|          | Cash generated from operations  | 676.02                                 | 632.10                            | (1,477.62)                        | (387.35)                          |
|          | Net income taxes paid   | (72.09)                                | (80.07)                           | (86.36)                           | (10.08)                           |
|          | <b>Net cash (used in) / provided by operating activities (A)</b>        | <b>603.92</b>                          | <b>552.03</b>                     | <b>(1,563.98)</b>                 | <b>(397.43)</b>                   |
| <b>B</b> | <b>Cash flows from investing activities:</b>                            |  |                                   |                                   |                                   |
|          | Purchase of fixed assets & including intangible assets                  | (13.81)                                | (76.35)                           | (252.52)                          | (12.91)                           |
|          | Sales of fixed assets & including intangible assets                     | 11.29                                  | -                                 | -                                 | -                                 |
|          | Interest Received   | 0.69                                   | 9.41                              | 0.44                              | -                                 |
|          | <b>Net cash provided by / (used in) investing activities (B)</b>        | <b>(1.83)</b>                          | <b>(66.94)</b>                    | <b>(252.08)</b>                   | <b>(12.91)</b>                    |
| <b>C</b> | <b>Cash flows from Financing activities:</b>                            |  |                                   |                                   |                                   |
|          | Proceeds from Long Term Borrowings                                      | 160.26                                 | 3.00                              | 175.02                            | -                                 |
|          | Repayment of Long Term Borrowings                                       | (121.03)                               | (23.41)                           | (33.58)                           | -                                 |
|          | Issuance of Share Capital   | -                                      | 160.51                            | -                                 | -                                 |
|          | Security Deposits (paid)/received                                       | 1.23                                   | 2.28                              | (0.95)                            | (2.97)                            |
|          | Proceeds from Short Term Borrowings                                     | 953.99                                 | 1,451.77                          | 2,113.28                          | 476.07                            |
|          | Repayment of Short Term Borrowings                                      | (1,400.12)                             | (1,806.46)                        | (291.92)                          | (54.02)                           |
|          | Interest paid   | (136.28)                               | (160.45)                          | (90.94)                           | (32.60)                           |
|          | <b>Net cash flow from/ (used in) financing activities (C)</b>           | <b>(541.95)</b>                        | <b>(372.76)</b>                   | <b>1,870.90</b>                   | <b>386.48</b>                     |
|          |   |  |                                   |                                   |                                   |
|          | <b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b> | <b>60.15</b>                           | <b>112.33</b>                     | <b>54.84</b>                      | <b>(23.86)</b>                    |
|          | <b>Cash &amp; cash equivalents as at the beginning of the year</b>      | <b>178.03</b>                          | <b>65.70</b>                      | <b>10.86</b>                      | <b>34.72</b>                      |
|          | <b>Cash &amp; cash equivalents as at the end of the year</b>            | <b>238.18</b>                          | <b>178.03</b>                     | <b>65.70</b>                      | <b>10.86</b>                      |
|          |   |  |                                   |                                   |                                   |
|          | <b>Notes to Cash Flow Statement</b>                                     |  |                                   |                                   |                                   |
| 1        | Component of cash and cash equivalent :                                 |  |                                   |                                   |                                   |
|          | - Cash in hand  | 11.67                                  | 17.12                             | 4.94                              | 10.86                             |

|  |                     |               |               |              |              |
|--|---------------------|---------------|---------------|--------------|--------------|
|  | - Balance with Bank | 226.51        | 160.91        | 60.76        | -            |
|  |                     | <b>238.18</b> | <b>178.03</b> | <b>65.70</b> | <b>10.86</b> |



## GENERAL INFORMATION

### REGISTERED OFFICE OF OUR COMPANY

**AJC Jewel Manufacturers Limited**

38/227-Z, Inkel Greens Edu City,  
Karathode-Konampara Road, Panakkad Village,  
Pattarkadavu, Malappuram, Ernad, Kerala, India, 676519

**Tel No:** +91 9567916106

**Email:** [investors@ajcjewel.com](mailto:investors@ajcjewel.com)

**Website:** <https://ajcjewel.com/>

**CIN:** U93090KL2018PLC052621

**Registration Number:** 052621

For further details and details of changes in the registered office of our company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 197 of this Draft Red Herring Prospectus.

### CORPORATE OFFICE OF OUR COMPANY

N.A.

### REGISTRAR OF COMPANIES

**Registrar of Companies, Ernakulam**

Ministry of Corporate Affairs,  
Corporate Bhawan, BMC Road,  
Thrikkakara, Kochi-682021, Kerala, India.

**Tel No:** 0484-2421626/2421310

**Email:** [roc.ernakulam@mca.gov.in](mailto:roc.ernakulam@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### BOARD OF DIRECTORS

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

| Name                         | Designation                        | DIN      | Residential Address   |
|------------------------------|------------------------------------|----------|---|
| Mr. Ashraf P                 | Chairman & Managing Director       | 08094239 | Perinkadakkad House, Iringallur Junction, Parappur, Malappuram, Iringallur, Kerala-676304, India  |
| Mr. Mohamedali Cheruparambil | Whole Time Director                | 10668023 | Cheruparambil, Iringalloor, Kuttitharammal, Parappur, Malappuram, Kerala-676304, India  |
| Ms. Fathima Jasna Kottekattu | Executive Director                 | 10691112 | Kottekattu Ozhur Malappuram, Kerala-676307, India   |
| Mr. Afnas                    | Non-Executive Independent Director | 10597831 | Kadambil Poozhitharammal Pottodi, Triprangode, Malappuram Kerala-676108, India  |
| Mr. Anoop V                  | Non-Executive Independent Director | 10691111 | Indiralayam House, Valiyaparambu, Puthoor Post Kottakkal Malappuram, Kerala-676503, India   |
| Mr. Ganesh Ramani            | Non-Executive Independent Director | 10792685 | A-902, Meridian Co-op Housing Society, Plot No-25/27, Near Shushrusha Heart Hospital, Sector 6, Nerul west, Navi Mumbai-400615, Thane, Maharashtra, India |
| Mr. Thajudheen Valakkundil   | Non-Executive Independent Director | 08789363 | Manara, Vazhakkattin, Koottilangadi, PO: Kottilangadi, DIST: Malappuram, Kerala-676506, India   |

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 202 of this Draft Red Herring Prospectus.

### COMPANY SECRETARY AND COMPLIANCE OFFICER

**Ms. Reshmi N K** is our Company Secretary and Compliance Officer. Her contact details are as follows:

**Ms. Reshmi N K**

38/227-Z, Inkel Greens Edu City,  
Karathode-Konampara Road, Panakkad Village,  
Pattarkadavu, Malappuram, Ernad, Kerala, India, 676519

**Tel No:** +91 9567916106

**Email:** [investors@ajcjewel.com](mailto:investors@ajcjewel.com)

**Website:** <https://ajcjewel.com/>

**Investor grievances:**

Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

All Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

**CHIEF FINANCIAL OFFICER**

**Mr. Mahesh K V**

38/227-Z, Inkel Greens Edu City,  
Karathode-Konampara Road, Panakkad Village,  
Pattarkadavu, Malappuram, Ernad, Kerala, India, 676519

**Tel No:** +91 9567916106

**Email:** [investors@ajcjewel.com](mailto:investors@ajcjewel.com)

**Website:** <https://ajcjewel.com/>

**BOOK RUNNING LEAD MANAGER**

**Smart Horizon Capital Advisors Private Limited**

*(Formerly Known as Shreni Capital Advisors Private Limited)*

B/908, Western Edge II, Kanakia Space, Behind metro mall,  
Off Western Express Highway, Magathane, Borivali East,  
Mumbai – 400066, Maharashtra, India.

**Tel No:** 022-28706822

**Email:** [director@shcapl.com](mailto:director@shcapl.com)

**Website:** [www.shcapl.com](http://www.shcapl.com)

**Investor Grievance E-mail:** [investor@shcapl.com](mailto:investor@shcapl.com)

**Contact Person:** Mr. Parth Shah

**SEBI Registration No.:** INM000013183

**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  
**Tel No:** 022 – 6263 8200  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Mr. Asif Sayyed  
**SEBI Registration No.:** INR000001385

#### **LEGAL ADVISOR TO THE ISSUE**

**Asha Agarwal & Associates**  
118, Shila Vihar, Gokulpura,  
Kalwar Road, Jhotwara,  
Jaipur – 302 012, Rajasthan, India  
**Tel No:** +91 99509 33137  
**Email:** [ashaagarwalassociates@gmail.com](mailto:ashaagarwalassociates@gmail.com)  
**License:** 75654/R/38/2016  
**Contact Person:** Ms. Asha Agarwal

#### **BANKERS TO THE COMPANY**

**ICICI Bank Limited**  
Vellaani Building Po Nattika Triprayar  
Thrissur Dist, Kerala 680566  
**Tel No.:** +91-22-33667777  
**Email:** [companysecretary@icicibank.com](mailto:companysecretary@icicibank.com)  
**Website:** [www.icicibank.com](http://www.icicibank.com)  
**Contact Person:** Mr. Anil Gadoo  
**SEBI Registration No.:** INBI00000004

**Axis Bank Limited**  
Peekays Arcade, Down Hill, Malappuram, kerala 676519  
**Tel No.:** 8086002431  
**Email:** [Malappuram.branchhead@axisbank.com](mailto:Malappuram.branchhead@axisbank.com)  
**Website:** [www.axisbank.com](http://www.axisbank.com)  
**Contact Person:** Mr. S. Saju  
**SEBI Registration No.:** INBI00000017

**HDFC Bank Limited**  
PMH Complex, Ground Floor,  
Calicut Road, Chemmad,  
Malappuram, Kerala-676306, India  
**Tel No.:** 7208391804  
**Email:** [muhammed.shameel@hdfcbank.com](mailto:muhammed.shameel@hdfcbank.com)  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**Contact Person:** Mr. Muhammed Shameel

#### **STATUTORY AUDITOR OF OUR COMPANY**

**M/s Kumar & Biju Associates LLP, Chartered Accountants**  
Nestle, West Nadakkavu, Calicut, Kerala, 673011  
**Tel No.:** 0495 2369872  
**Email:** [clt@kbassociates.in](mailto:clt@kbassociates.in)  
**Contact Person:** Mr. M. Narayana Kumar  
**Membership No.:** 200552  
**Firm Registration No.:** 006113S  
**Peer Review No:** 017259

#### **PEER REVIEWED AUDITORS OF OUR COMPANY**

**M/s. Vinay Bhushan & Associates,**  
726, 7th Floor, D- Wing,  
Neelkanth Business Park, Near Bus Depot,  
Vidyavihar (West), Mumbai- 400086  
Maharashtra, India  
**Tel No.:** +91 9769134554  
**Email:** [info@vbaconsult.com](mailto:info@vbaconsult.com)  
**Contact Person:** CA. Vinay Bhushan  
**Firm Registration No.:** 130529W  
**Peer Review No:** 015503

## **BANKERS TO THE ISSUE / ESCROW COLLECTION BANK, REFUND BANK AND PUBLIC ISSUE BANK**

\*[●]

## **SYNDICATE MEMBER**

\*[●]

*\*The Banker to the Issue and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the ROC.*

## **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Smart Horizon Capital Advisors Private Limited (*Formerly Known as Shreni Capital Advisors Private Limited*) is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

## **SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)**

The list of SCSB’s notified by SEBI, for the ASBA process is available at (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> updated from time to time or at such other website as may be prescribed by SEBI from time to time, (ii) A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>, or at such other websites as updated from time to time.

## **SCSBS AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 read with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, read with other applicable UPI Circulars, UPI Bidders, bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40)) and ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43)) respectively, as updated from time to time.

## **SYNDICATE SCSB BRANCHES**

In relation to Bids (other than Bids by Anchor Investors and IIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35), as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35) or any such other website as may be prescribed by SEBI from time to time.

## **REGISTERED BROKERS**

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at <https://www.bseindia.com>, as updated from time to time.

#### **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS (“RTA”)**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at [www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx), respectively, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchange at [www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx), respectively, as updated from time to time.

#### **CREDIT RATING**

This being an Issue of Equity Shares, credit rating is not required.

#### **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations and amendments thereto, there is no requirement of appointing an IPO Grading agency.

#### **DEBENTURE TRUSTEES**

Since this is not a debenture issue, appointment of debenture trustee is not required.

#### **MONITORING AGENCY**

Since our Issue size does not exceed ₹ 5,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations 2018 and as amended from time to time. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

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

#### **APPRAISING ENTITY**

No appraising entity has been appointed in respect of any objects of this Issue.

#### **GREEN SHOE OPTION**

No green shoe option is contemplated under the Issue.

#### **CHANGES IN AUDITORS**

Except as disclosed below, there has been no change in the Statutory Auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus.

| Name of Auditor             | Date of Appointment | Date of Resignation | Reason for Change                    |
|-----------------------------|---------------------|---------------------|--------------------------------------|
| Kumar & Biju Associates LLP | September 09, 2024  | -                   | Re-Appointment for a term of 5 years |

## EXPERTS TO THE ISSUE

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received a written consent dated April 02, 2025 from our Peer Reviewed Auditor, namely, M/s. Vinay Bhushan & Associates, who hold a valid peer review certificate from ICAI, to include their name in respect of the reports on the Restated Financial Statements dated April 15, 2025 and the Statement of Possible Tax Benefits dated April 15, 2025 issued by them and included in this Draft Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Further, our Company has received written consent dated January 17, 2025, from M/s. Peak Builders & Consultants, Independent Chartered Engineer, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certification required for Capacity Utilization report dated January 17, 2025 , certifying, inter alia, installed and actual capacity and list of plant and machinery.

Further, Our Company has also received written consent dated April 22, 2025 from the Practicing Company Secretary, namely Gopimohan Satheesan & Associates LLP, Practicing Company Secretary, to include their name in this Draft Red Herring Prospectus, as an “expert” as defined under section 2(38) and section 26(5) of the Companies Act, 2013 to the extent and in his capacity as a practicing company secretary in respect of their certificate dated April 22, 2025 for the ROC Search obtained from MCA and providing the list of delays/ non-filing/ non-compliance of the forms filed with ROC as applicable to us and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## FILING OF THE DRAFT RED HERRING PROSPECTUS, RED HERRING PROSPECTUS AND PUBLIC ANNOUNCEMENT OF DRAFT RED HERRING PROSPECTUS

The Draft Red Herring Prospectus shall be filed on BSE SME situated at 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India.

The Draft Red Herring Prospectus filed with BSE will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company’s website <https://ajcjewel.com/>, BSE SME’s website <https://www.bseindia.com> and Book Running Lead Manager’s website [www.shcapl.com](http://www.shcapl.com).

Our Company shall, within two working days of filing the Draft Red Herring Prospectus with BSE SME Exchange, make a public announcement in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of the [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE SME Exchange, our Company or the Book Running Lead Manager in respect of the disclosures made in this Draft Red Herring Prospectus.

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



A copy of the Red Herring Prospectus along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the Registrar of Companies, Ernakulam through the electronic portal at <http://www.mca.gov.in> , at least (3) three working days prior from the date of opening of the Issue.

## TYPE OF ISSUE

The present Issue is considered to be 100% Book-Building Issue.

## BOOK BUILDING PROCESS

Book building, in the context of the Issue, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus, the Bid Cum Application Forms and the Revision Forms, if any, within the Price Band and the minimum Bid Lot, which will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of the Malayalam daily newspaper, [●], (Malayalam being the regional language of Kerela, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their respective website. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date. For details, see “*Issue Procedure*” beginning on page 322 of this Draft Red Herring Prospectus.

**All Bidders (other than Anchor Investors) shall participate in this Issue mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. In addition to this, the Individual Investors may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor investors are not permitted to participate in the Issue through the ASBA process. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 5.00 Lakhs shall use the UPI Mechanism.**

**In terms of the SEBI ICDR Regulations and amendments thereto, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. Individual Investors can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors in the Anchor Investor Portion cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Additionally, Subject to the availability of Equity Shares in the Non – Institutional investors category, allotment to each Non-Institutional Bidder shall not be less than the minimum application size, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.**

**Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.**

For further details, see “*Terms of the Issue*”, “*Issue Structure*” and “*Issue Procedure*” beginning on pages 307, 317 and 322 of this Draft Red Herring Prospectus, respectively.

**The process of Book Building under the SEBI ICDR Regulations and amendments thereto and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.**

**Bidders should note that, the Issue is also subject to obtaining:**

- (i) The final approval of the RoC after the Prospectus is filed with the RoC; and
- (ii) Final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten by Smart Horizon Capital Advisors Private Limited (*Formerly Known as Shreni Capital Advisors Private Limited*) in the capacity of Underwriter to the Issue. The Underwriting agreement is dated November 08, 2024 and addendum to Underwriting Agreement dated April 07, 2025 Pursuant to the terms of the Underwriting Agreement,

the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being issued through this Issue:

(₹ in Lakhs)

| Details of the Underwriter  | No. of Equity Shares Underwritten* | Amount Underwritten | % of total Issue size underwritten |
|---|------------------------------------|---------------------|------------------------------------|
| <b>Smart Horizon Capital Advisors Private Limited</b><br><i>(Formerly Known as Shreni Capital Advisors Private Limited)</i> B/908, Western Edge II, Kanakia Space, Behind metro mall, Off Western Express Highway, Magathane, Borivali East, Mumbai – 400066, Maharashtra, India.<br><b>Tel No:</b> 022-28706822<br><b>Email:</b> <a href="mailto:director@shcapl.com">director@shcapl.com</a><br><b>Website:</b> <a href="http://www.shcapl.com">www.shcapl.com</a><br><b>Investor Grievance E-mail:</b> <a href="mailto:investor@shcapl.com">investor@shcapl.com</a><br><b>Contact Person:</b> Mr. Parth Shah<br><b>SEBI Registration No.:</b> INM000013183 | Up to 16,20,000*                   | [●]                 | [●]                                |

\*Includes up to [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.

In accordance with Regulation 260(2) of the SEBI ICDR Regulations and amendments thereto, this Issue has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Book Running Lead Manager to the Issue have underwritten at least 15% of the total Issue Size.

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

## MARKET MAKER

### Rikhav Securities Limited

B/501-502, O2 Commercial Building,

Asha Nagar, Mulund (W),

Mumbai – 400080, Maharashtra, India

**Tel No:** 022-69078300/400

**Email:** [info@rikhav.net](mailto:info@rikhav.net)

**Website:** [www.rikhav.net](http://www.rikhav.net)

**Contact Person:** Mr. Hitesh H Lakhani

**SEBI Registration No.:** INZ000157737

## DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations and amendments thereto, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated November 08, 2024 and addendum to Market Making Agreement dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issue.

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

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

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



2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE SME (SME Platform of BSE Limited) and SEBI from time to time.
3. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of BSE (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of BSE from time to time).
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25% of the Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five Market Makers for script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
9. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
10. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market- for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.
11. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.
12. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
13. **Punitive Action in case of default by Market Maker:** The exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

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

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

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

The following spread will be applicable on the BSE SME Exchange/Platform:

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

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

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

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

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

## CAPITAL STRUCTURE

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

| (₹ in lakhs except share data) |  |                               |                                 |
|--------------------------------|--|-------------------------------|---------------------------------|
| Sr. No.                        | Particulars  | Aggregate Value at Face Value | Aggregate Value at Issue Price* |
| <b>A.</b>                      | <b>Authorized Share Capital<sup>(1)</sup></b>  |                               |                                 |
|                                | 1,60,00,000 Equity Shares of face value of ₹10/- each  | 1600.00                       | -                               |
| <b>B.</b>                      | <b>Issued, Subscribed and Paid-Up Equity Capital before the Issue</b>  |                               |                                 |
|                                | 44,48,360 Equity Shares of face value of ₹10/- each  | 444.84                        | -                               |
| <b>C.</b>                      | <b>Present Issue in Terms of this Draft Red Herring Prospectus<sup>(1)</sup></b>   |                               |                                 |
|                                | Issue of up to 16,20,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs   | Up to 162.00                  | [●]                             |
|                                | <i>of which</i>  |                               |                                 |
|                                | Fresh Issue of up to 16,20,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs   | Up to 162.00                  | [●]                             |
|                                | <b>Which Includes:</b>   |                               |                                 |
|                                | Up to [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] /- per Equity Share reserved as Market Maker Portion   | [●]                           | [●]                             |
|                                | Net issue to Public of Up to [●] Equity Shares of ₹10/- each at a price of ₹ [●] /- per Equity Share to the Public   | [●]                           | [●]                             |
|                                | <b>Of Which</b>  |                               |                                 |
|                                | At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Individual Investors  | [●]                           | [●]                             |
|                                | At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Non-Institutional Investors   | [●]                           | [●]                             |
|                                | Not more than [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds | [●]                           | [●]                             |
| <b>D.</b>                      | <b>Issued, Subscribed and Paid-Up Capital After the Issue*</b>   |                               |                                 |
|                                | Up to 60,68,360 Equity Shares of face value of ₹10/- each  | Up to 606.84                  | -                               |
| <b>E.</b>                      | <b>Securities Premium Account</b>  |                               |                                 |
|                                | Before the Issue   | Nil                           |                                 |
|                                | After the Issue  | [●]                           |                                 |

\* To be included upon finalisation of Issue Price.

<sup>(1)</sup> The Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on September 24, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on September 25, 2024 at shorter notice.

### CLASS OF SHARES

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

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- a) The initial authorized share capital of ₹ 10,00,000 /- divided into 10,000 Equity Shares of ₹100/- each.
- b) The Authorized Share Capital was increased from ₹ 10,00,000 /- divided into 10,000 Equity Shares of ₹100/- each to ₹ 2,00,00,000 /- divided into 2,00,000 Equity Shares of ₹100/- each vide Shareholders' Resolution dated January 16, 2019.
- c) The Authorized Share Capital was increased from ₹ 2,00,00,000 /- divided into 2,00,000 Equity Shares of ₹100/- each to ₹ 3,00,00,000 /- divided into 3,00,000 equity shares of ₹100/- each vide Shareholders' Resolution dated May 20, 2019.
- d) The Authorized Share Capital was increased from ₹ 3,00,00,000 /- divided into 3,00,000 Equity Shares of ₹100/- each to ₹ 4,50,00,000 /- divided into 4,50,000 equity shares of ₹100/- each vide Shareholders' Resolution dated March 08, 2021.
- e) The Authorized Share Capital was increased from ₹ 4,50,00,000 /- divided into 4,50,000 Equity Shares of ₹100/- each to ₹ 5,50,00,000 /- divided into 5,50,000 equity shares of ₹100/- each vide Shareholders' Resolution dated June 27, 2023.

Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each.

- f) The Authorized Share Capital was increased from ₹ 5,50,00,000 /- divided into 55,00,000 Equity Shares of ₹10/- each to ₹ 16,00,00,000 /- divided into 1,60,00,000 equity shares of ₹10/- each vide Shareholders' Resolution dated March 11, 2024.

## 2. Equity Share Capital History of our Company

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

| Date of Allotment  | No. of Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of Allotment                 | Cumulative No. of Equity Shares | Cumulative Paid-Up Equity Shares Capital (₹) | Cumulative Share Premium (₹) |
|--|-------------------------------|----------------|-----------------|-------------------------|-------------------------------------|---------------------------------|--|------------------------------|
| Upon Incorporation   | 1000                          | 100/-          | 100/-           | Cash                    | Subscription to MOA <sup>(i)</sup>  | 1000                            | 1,00,000                                     | Nil                          |
| January 29, 2019   | 97,164                        | 100/-          | Nil             | Other than Cash         | Private Placement <sup>(ii)</sup>   | 98,164                          | 98,16,400                                    | Nil                          |
| March 28, 2019   | 50,000                        | 100/-          | 100/-           | Cash                    | Private Placement <sup>(iii)</sup>  | 1,48,164                        | 1,48,16,400                                  | Nil                          |
| May 29, 2019   | 1,01,158                      | 100/-          | Nil             | Other than Cash         | Private Placement <sup>(iv)</sup>   | 2,49,322                        | 2,49,32,200                                  | Nil                          |
| June 15, 2019  | 10,000                        | 100/-          | 100/-           | Cash                    | Private Placement <sup>(v)</sup>    | 2,59,322                        | 2,59,32,200                                  | Nil                          |
| July 06, 2019  | 25,000                        | 100/-          | 100/-           | Cash                    | Private Placement <sup>(vi)</sup>   | 2,84,322                        | 2,84,32,200                                  | Nil                          |
| July 05, 2023 <sup>#</sup>   | 72,187                        | 100/-          | 100/-           | Cash                    | Rights Issue <sup>(vii)(a)(b)</sup> | 3,56,509                        | 3,56,50,900                                  | Nil                          |
|  | 88,327                        | 100/-          | -               | Other than Cash         |                                     | 4,44,836                        | 4,44,83,600                                  | Nil                          |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each. |                               |                |                 |                         |                                     |                                 |  |                              |

| Date of Allotment      | No. of Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of Allotment | Cumulative No. of Equity Shares | Cumulative Paid-Up Equity Shares Capital (₹) | Cumulative Share Premium (₹) |
|------------------------|-------------------------------|----------------|-----------------|-------------------------|---------------------|---------------------------------|--|------------------------------|
| Face Value after Split |                               | 10/-           | Total           |                         |                     | 44,48,360                       | 4,44,83,600                                  | -                            |

*#Out of the total allotment of 1,60,514 equity shares, made by the Company on July 05, 2023 consideration for 72,187 equity shares has been received in cash and for the remaining 88,327 shares, Company has received gold bullion. However, considering the gold bullion as deemed cash, whole of the transaction has been disclosed as "Consideration in cash" in the Form PAS-3 filed for the purpose. However, as the allotment was made against purchase of gold bullion which had in earlier allotments been considered as "Other than Cash", the aforementioned allotment of 88,327 shares has accordingly been reclassified as "Consideration other than Cash" and have accordingly been disclosed hereinabove. For further details, please refer risk factor no. 8 under chapter titled "Risk Factors" on page no. 41 of this Draft Red Herring Prospectus.*

(i) Initial Subscribers to the Memorandum of Association of our company:

| Sr. No | Name               | No of Equity Shares |
|--------|--------------------|---------------------|
| 1.     | Mr. Ashraf P       | 500                 |
| 2.     | Mr. Kunhimohamed P | 500                 |
|        | <b>Total</b>       | <b>1,000</b>        |

(ii) Private Placement of 97,164 Equity Shares of face value of ₹100/- for consideration other than cash<sup>#</sup>:

| Sr. No | Name                   | No of Equity Shares |
|--------|------------------------|---------------------|
| 1.     | Mr. Kader Kutty        | 3,518               |
| 2.     | Mr. Jaseela Thasneem   | 5,750               |
| 3.     | Ms. Saifunneesa        | 8,690               |
| 4.     | Mr. Abdu Samad         | 2,950               |
| 5.     | Ms. Najiya Thoiba      | 8,805               |
| 6.     | Ms. Asya               | 7,445               |
| 7.     | Ms. Haseena            | 7,628               |
| 8.     | Ms. Fathima            | 7,540               |
| 9.     | Ms. Sameema            | 7,347               |
| 10.    | Mr. Moossakutty        | 4,735               |
| 11.    | Mr. Sharafali          | 3,107               |
| 12.    | Ms. Sakeena            | 5,572               |
| 13.    | Mr. Mohammed Naeem     | 2,953               |
| 14.    | Ms. Ruseena            | 8,060               |
| 15.    | Ms. Sahida             | 7,068               |
| 16.    | Mr. Muhammed Sapwan KT | 2,996               |
| 17.    | Mr. Aboobacker         | 3,000               |
|        | <b>Total</b>           | <b>97,164</b>       |

*#Allotment made against purchase of gold bullion.*

(iii) Private Placement of 50,000 Equity Shares of face value of ₹100/- each

| Sr. No | Name               | No of Equity Shares |
|--------|--------------------|---------------------|
| 1.     | Mr. Kunhimohamed P | 50,000              |
|        | <b>Total</b>       | <b>50,000</b>       |

(iv) Private Placement of 1,01,158 Equity Shares of face value of ₹100/- for consideration other than cash<sup>#</sup>:

| Sr. No | Name                  | No of Equity Shares |
|--------|-----------------------|---------------------|
| 1.     | Mr. Muhammadali       | 2,708               |
| 2.     | Mr. Arafath           | 8,295               |
| 3.     | Mr. Abdul Basith Pari | 2,441               |
| 4.     | Mr. Mohammed Ellias   | 8,395               |

|     |                      |                 |
|-----|----------------------|-----------------|
| 5.  | Mr. Jamsheer         | 6,773           |
| 6.  | Mr. Abdul Rasik      | 8,002           |
| 7.  | Ms. Sabiya           | 10,713          |
| 8.  | Ms. Safabeevi        | 9,436           |
| 9.  | Ms. Sainaba          | 6,485           |
| 10. | Mr. Mohamed Shafi    | 6,021           |
| 11. | Mr. Shajahan         | 2,862           |
| 12. | Ms. Soumya           | 7,659           |
| 13. | Mr. Thaha            | 6,346           |
| 14. | Ms. Thulasi Gopal    | 7,137           |
| 15. | Ms. Nihala Puthukudi | 7,885           |
|     | <b>Total</b>         | <b>1,01,158</b> |

<sup>#</sup>Allotment made against purchase of Gold bullion.

(v) Private Placement of 10,000 Equity Shares of face value of ₹100/- at a price of ₹100/- each

| Sr. No | Name                         | No. of Equity Shares |
|--------|------------------------------|----------------------|
| 1.     | Mr. Abdul Gafoor Puthumannil | 10,000               |
|        | <b>Total</b>                 | <b>10,000</b>        |

(vi) Private Placement of 25,000 Equity Shares of face value of ₹100/- at a price of ₹100/- each

| Sr. No | Name                             | No of Equity Shares |
|--------|----------------------------------|---------------------|
| 1.     | Mr. Abdulnazer Nambidi Parambath | 5,000               |
| 2.     | Mr. Abdul Basheer                | 5,000               |
| 3.     | Mr. Abdul Muneer Thacharakkal    | 5,000               |
| 4.     | Mr. Sainul Abideen               | 5,000               |
| 5.     | Mr. Sulaiman Tilayil             | 5,000               |
|        | <b>Total</b>                     | <b>25,000</b>       |

(vii)(a) Right Issue of 72,187 Equity Shares of face value of ₹100/- at a price of ₹100/- each.

| Sr. No | Name                    | No. of Equity Shares |
|--------|-------------------------|----------------------|
| 1.     | Mr. Kunheedu Pilakal    | 8,000                |
| 2.     | Mr. Saidalavi           | 8,000                |
| 3.     | Ms. Sumayya Beegum      | 10,000               |
| 4.     | Ms. Thasleena           | 4,000                |
| 5.     | Mr. Kunhimohamed P      | 24,187               |
| 6.     | Mr. Mohamed Naseer      | 8,000                |
| 7.     | Mr. Muhammad Areekkadan | 10,000               |
|        | <b>Total</b>            | <b>72,187</b>        |

(b) Right Issue of 88,327 Equity Shares of face value of ₹100/- for consideration other than cash<sup>#</sup>.

| Sr. No | Name                             | No. of Equity Shares |
|--------|----------------------------------|----------------------|
| 1.     | Ms. Abida C                      | 7,045                |
| 2.     | Ms. Fazeela C                    | 7,045                |
| 3.     | Ms. Sabira                       | 7,045                |
| 4.     | Mr. Mohammed Perinkadakkat       | 7,828                |
| 5.     | Ms. Sulaikha Perinkadakkat       | 16,439               |
| 6.     | Ms. Mashhura Sherin Elambulaseri | 10,430               |
| 7.     | Ms. Rizwana Parveen K P          | 6,914                |
| 8.     | Mr. Abdul Haseeb P K             | 11,072               |
| 9.     | Ms. Alfiya K                     | 8,319                |
| 10.    | Ms. Fathwimathul Husna           | 6,190                |
|        | <b>Total</b>                     | <b>88,327</b>        |

<sup>#</sup>Out of the total allotment of 1,60,514 equity shares, made by the Company on July 05,2023 consideration for 72,187 equity shares has been received in cash and for the remaining 88,327 shares, Company received gold bullion. However, considering the Gold bullion as deemed cash, whole of the transaction has been disclosed as "Consideration in cash" in

the Form PAS-3 filed for the purpose. However, as the allotment was made against purchase of Gold bullion which had in earlier allotments been considered as “Other than Cash”, the aforementioned allotment of 88,327 shares has accordingly been reclassified as “Consideration other than Cash” and have accordingly been disclosed hereinabove.

3. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

| Date of Allotment | No. of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons of Allotment | Benefits accrued to company  | Allottees                        | No. of Shares Allotted |
|-------------------|----------------------|------------------|-------------------|----------------------|------------------------------|----------------------------------|------------------------|
| January 29, 2019  | 97,164               | 100/-            | NIL               | Private Placement    | Gold received by the Company | Mr. Kader Kutty                  | 3,518                  |
|                   |                      |                  |                   |                      |                              | Mr. Jaseela Thasneem             | 5,750                  |
|                   |                      |                  |                   |                      |                              | Ms. Saifunneesa                  | 8,690                  |
|                   |                      |                  |                   |                      |                              | Mr. Abdu Samad                   | 2,950                  |
|                   |                      |                  |                   |                      |                              | Ms. Najiya Thoiba                | 8,805                  |
|                   |                      |                  |                   |                      |                              | Ms. Asya                         | 7,445                  |
|                   |                      |                  |                   |                      |                              | Ms. Haseena                      | 7,628                  |
|                   |                      |                  |                   |                      |                              | Ms. Fathima                      | 7,540                  |
|                   |                      |                  |                   |                      |                              | Ms. Sameema                      | 7,347                  |
|                   |                      |                  |                   |                      |                              | Mr. Moossakutty                  | 4,735                  |
|                   |                      |                  |                   |                      |                              | Mr. Sharafali                    | 3,107                  |
|                   |                      |                  |                   |                      |                              | Ms. Sakeena                      | 5,572                  |
|                   |                      |                  |                   |                      |                              | Mr. Mohammed Naeem               | 2,953                  |
|                   |                      |                  |                   |                      |                              | Ms. Ruseena                      | 8,060                  |
|                   |                      |                  |                   |                      |                              | Ms. Sahida                       | 7,068                  |
|                   |                      |                  |                   |                      |                              | Mr. Muhammed Sapwan KT           | 2,996                  |
| May 29, 2019      | 1,01,158             | 100/-            | NIL               | Private Placement    | Gold received by the Company | Mr. Aboobacker                   | 3,000                  |
|                   |                      |                  |                   |                      |                              | Mr. Muhammadali                  | 2,708                  |
|                   |                      |                  |                   |                      |                              | Mr. Arafath                      | 8,295                  |
|                   |                      |                  |                   |                      |                              | Mr. Abdul Basith Pari            | 2,441                  |
|                   |                      |                  |                   |                      |                              | Mr. Mohammed Ellias              | 8,395                  |
|                   |                      |                  |                   |                      |                              | Mr. Jamsheer                     | 6,773                  |
|                   |                      |                  |                   |                      |                              | Mr. Abdul Rasik                  | 8,002                  |
|                   |                      |                  |                   |                      |                              | Ms. Sabiya                       | 10,713                 |
|                   |                      |                  |                   |                      |                              | Ms. Safabeevi                    | 9,436                  |
|                   |                      |                  |                   |                      |                              | Ms. Sainaba                      | 6,485                  |
|                   |                      |                  |                   |                      |                              | Mr. Mohamed Shafi                | 6,021                  |
|                   |                      |                  |                   |                      |                              | Mr. Shajahan                     | 2,862                  |
|                   |                      |                  |                   |                      |                              | Ms. Soumya                       | 7,659                  |
|                   |                      |                  |                   |                      |                              | Mr. Thaha                        | 6,346                  |
|                   |                      |                  |                   |                      |                              | Ms. Thulasi Gopal                | 7,137                  |
|                   |                      |                  |                   |                      |                              | Ms. Nihala Puthukudi             | 7,885                  |
| July 05, 2023*    | 88,327               | 100/-            | 100               | Rights Issue         | Gold received by the Company | Ms. Abida C                      | 7,045                  |
|                   |                      |                  |                   |                      |                              | Ms. Fazeela C                    | 7,045                  |
|                   |                      |                  |                   |                      |                              | Ms. Sabira                       | 7,045                  |
|                   |                      |                  |                   |                      |                              | Mr. Mohammed Perinkadakkat       | 7,828                  |
|                   |                      |                  |                   |                      |                              | Ms. Sulaikha Perinkadakkat       | 16,439                 |
|                   |                      |                  |                   |                      |                              | Ms. Mashhura Sherin Elambulaseri | 10,430                 |
|                   |                      |                  |                   |                      |                              | Ms. Rizwana Parveen K P          | 6,914                  |
|                   |                      |                  |                   |                      |                              | Mr. Abdul Haseeb P K             | 11,072                 |
|                   |                      |                  |                   |                      |                              | Ms. Alfiya K                     | 8,319                  |
|                   |                      |                  |                   |                      |                              | Ms. Fathwimathul Husna           | 6,190                  |

\* Out of the total allotment of 1,60,514 equity shares, made by the Company on July 05, 2023 consideration for 72,187 equity shares has been received in cash and for the remaining 88,327 shares by way of gold bullion. However, considering the Gold bullion as deemed cash, whole of the transaction has been disclosed as “Consideration in cash” in the Form PAS-

3 filed for the purpose. However, as the allotment was made against purchase of Gold bullion which had in earlier allotments been considered as “Other than Cash”, the aforementioned allotment of 88,327 shares has accordingly been reclassified as “Consideration other than Cash” and have accordingly been disclosed hereinabove.

4. No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme/Stock Appreciation Rights Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. We have not issued any Equity Shares at price below Issue price within last one year from the date of this Draft Red Herring Prospectus.

#### 8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Red Herring Prospectus.

| Category (I) | Category of shareholder (II)    | Nos. of shareholders (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) |                     |                         | No. of Underlying Outstanding convertible securities | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) | Number of Locked in shares (XII) |                        | Number of Shares pledged or otherwise encumbered (XIII) |                        | Number of equity shares held in dematerialized form (XIV)* |           |
|--------------|---------------------------------|----------------------------|--|--|---|---|---|---|---------------------|-------------------------|--|---|----------------------------------|------------------------|---|------------------------|--|-----------|
|              |                                 |                            |  |  |   |   |   | Class-Equity  | No of Voting Rights | Total as a % of (A+B+C) |  |   | No (a)                           | As a % of total Shares | No (a)  | As a % of total Shares |  |           |
| A            | Promoters & Promoter group      | 4                          | 34,18,300                                    | -  | -   | 34,18,300                                     | 76.84%  | 34,18,300   | -                   | 34,18,300               | 76.84%   | -   | 76.84%                           | -                      | -   | -                      | -  | 34,18,300 |
| B            | Public                          | 3                          | 10,30,060                                    | -  | -   | 10,30,060                                     | 23.16%  | 10,30,060   | -                   | 10,30,060               | 23.16%   | -   | 23.16%                           | -                      | -   | -                      | -  | 10,30,060 |
| C            | Non - Promoters<br>Non - Public | -                          | -  | -  | -   | -   | -   | -   | -                   | -                       | -  | -   | -                                | -                      | -   | -                      | -  | -         |
| C1           | Shares underlying DRs           | -                          | -  | -  | -   | -   | -   | -   | -                   | -                       | -  | -   | -                                | -                      | -   | -                      | -  | -         |



| Category (I) | Category of shareholder (II)     | Nos. of shareholders (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) |                     |                  |                         | No. of Underlying Outstanding convertible securities | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) | Number of Locked in shares (XII) |                        | Number of Shares pledged or otherwise encumbered (XIII) |                        | Number of equity shares held in dematerialized form (XIV)* |
|--------------|----------------------------------|----------------------------|--|--|---|--|---|---|---------------------|------------------|-------------------------|--|---|----------------------------------|------------------------|---|------------------------|--|
|              |                                  |                            |  |  |   |  |   | Class-Equity  | No of Voting Rights | Total            | Total as a % of (A+B+C) |  |   | No (a)                           | As a % of total Shares | No (a)  | As a % of total Shares |  |
| C2           | Share s held by Empl oyee Trusts | -                          | -  | -  | -   | -  | -   | -   | -                   | -                | -                       | -  | -   | -                                | -                      | -   | -                      | -  |
|              | <b>Total</b>                     | <b>7</b>                   | <b>44,48,360</b>                             | <b>-</b>                                     | <b>-</b>  | <b>44,48,360</b>                             | <b>100.00%</b>  | <b>44,48,360</b>  | <b>-</b>            | <b>44,48,360</b> | <b>100.00%</b>          | <b>-</b>   | <b>100.00%</b>  | <b>-</b>                         | <b>-</b>               | <b>-</b>  | <b>-</b>               | <b>44,48,360</b>   |

9. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder      | Number of Equity shares | Percentage of then pre- Issue Equity Share Capital (%) |
|---------|------------------------------|-------------------------|--|
| 1.      | Mr. Ashraf P                 | 16,58,630               | 37.29%   |
| 2.      | Mr. Kunhimohamed P           | 12,37,500               | 27.82%   |
| 3.      | Ms. Fathima Jasna Kottekattu | 2,15,400                | 4.84%  |
| 4.      | Ms. Asya                     | 3,06,770                | 6.90%  |
| 5.      | Mr. Sharafali                | 4,29,000                | 9.64%  |
| 6.      | Mr. Abdulbasith Pari         | 1,72,060                | 3.87%  |
| 7.      | Mr. Abdul Rasik Karumannil   | 4,29,000                | 9.64%  |
|         | <b>Total</b>                 | <b>44,48,360</b>        | <b>100.00%</b>   |

10. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder      | Number of Equity shares | Percentage of then pre-Issue Equity Share Capital (%) |
|---------|------------------------------|-------------------------|---|
| 1.      | Mr. Kunhimohamed P           | 50,500                  | 17.76%  |
| 2.      | Mr. Kader Kutty              | 3,518                   | 1.24%   |
| 3.      | Ms. Jaseela Thasneem         | 5,750                   | 2.02%   |
| 4.      | Ms. Saifunneesa              | 8,690                   | 3.06%   |
| 5.      | Mr. Abdu Samad               | 2,950                   | 1.04%   |
| 6.      | Ms. Najiya Thoiba            | 8,805                   | 3.10%   |
| 7.      | Ms. Asya                     | 7,445                   | 2.62%   |
| 8.      | Ms. Haseena                  | 7,628                   | 2.68%   |
| 9.      | Ms. Fathima Jasna Kottekattu | 7,540                   | 2.65%   |
| 10.     | Ms. Sameema                  | 7,347                   | 2.58%   |
| 11.     | Mr. Moossakutty              | 4,735                   | 1.67%   |

| Sr. No. | Name of the Shareholder         | Number of Equity shares | Percentage of then pre-Issue Equity Share Capital (%) |
|---------|---------------------------------|-------------------------|---|
| 12.     | Mr. Sharafali                   | 3,107                   | 1.09%   |
| 13.     | Ms. Sakeena                     | 5,572                   | 1.96%   |
| 14.     | Mr. Mohammed                    | 2,953                   | 1.04%   |
| 15.     | Ms. Ruseena                     | 8,060                   | 2.83%   |
| 16.     | Ms. Sahida                      | 7,068                   | 2.49%   |
| 17.     | Mr. Muhammed Safwan KT          | 2,996                   | 1.05%   |
| 18.     | Mr. Aboobacker                  | 3,000                   | 1.06%   |
| 19.     | Mr. Arafath                     | 8,295                   | 2.92%   |
| 20.     | Mr. Mohammed Ellias             | 8,395                   | 2.95%   |
| 21.     | Mr. Jamsheer                    | 6,773                   | 2.38%   |
| 22.     | Mr. Abdul Rasik Karumannil      | 8,002                   | 2.81%   |
| 23.     | Ms. Sabiya                      | 10,713                  | 3.77%   |
| 24.     | Ms. Safa Beevi Kadalayi         | 9,436                   | 3.32%   |
| 25.     | Ms. Sainaba                     | 6,485                   | 2.28  |
| 26.     | Mr. Mohamedshafi P.K.           | 6,021                   | 2.12%   |
| 27.     | Mr. Shajahan                    | 2,862                   | 1.01%   |
| 28.     | Ms. Soumya                      | 7,659                   | 2.69%   |
| 29.     | Mr. Thaha                       | 6,346                   | 2.23%   |
| 30.     | Ms. Thulasi Gopal               | 7,137                   | 2.51%   |
| 31.     | Ms. Nihala Puthukudi            | 7,885                   | 2.77%   |
| 32.     | Mr. Abdul Gafoor Puthumannil    | 10,000                  | 3.52%   |
| 33.     | Mr. Abdunazer Nambidi Parambath | 5,000                   | 1.76%   |
| 34.     | Mr. Abdul Basheer               | 5,000                   | 1.76%   |
| 35.     | Mr. Abdul Muneer Thacharakkal   | 5,000                   | 1.76%   |
| 36.     | Mr. Sainul Abideen              | 5,000                   | 1.76%   |
| 37.     | Mr. Sulaiman Tilayil            | 5,000                   | 1.76%   |
|         | <b>Total</b>                    | <b>2,78,673</b>         | <b>98.01%</b>   |

11. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder  | Number of Equity shares | Percentage of then pre-Issue Equity Share Capital (%) |
|---------|--------------------------|-------------------------|---|
| 1.      | Ashraf P                 | 15,90,340               | 35.75%  |
| 2.      | Kunhimohamed P           | 12,37,500               | 27.82%  |
| 3.      | Asya                     | 3,06,770                | 6.90%   |
| 4.      | Fathima Jasna Kottekattu | 2,15,400                | 4.84%   |
| 5.      | Sharafali                | 4,50,700                | 10.13%  |
| 6.      | Abdul basith pari        | 1,72,060                | 3.87%   |
| 7.      | Abdul Rasik              | 4,75,590                | 10.69%  |
|         | <b>Total</b>             | <b>44,48,360</b>        | <b>100.00%</b>  |

12. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder      | Number of Equity shares | Percentage of then pre- Issue Equity Share Capital (%) |
|---------|------------------------------|-------------------------|--|
| 1.      | Mr. Ashraf P                 | 16,58,630               | 37.29%   |
| 2.      | Mr. Kunhimohamed P           | 12,37,500               | 27.82%   |
| 3.      | Ms. Fathima Jasna Kottekattu | 2,15,400                | 4.84%  |
| 4.      | Ms. Asya                     | 3,06,770                | 6.90%  |
| 5.      | Mr. Sharafali                | 4,29,000                | 9.64%  |
| 6.      | Mr. Abdulbasith Pari         | 1,72,060                | 3.87%  |
| 7.      | Mr. Abdul Rasik Karumannil   | 4,29,000                | 9.64%  |
|         | <b>Total</b>                 | <b>44,48,360</b>        | <b>100.00%</b>   |

13. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Draft Red Herring Prospectus, however, our Company had offered equity shares through Initial Public Offer by filing the Draft Red Herring Prospectus with BSE SME Platform dated September 30, 2024, consequently, the Draft Red Herring Prospectus was withdrawn, *for further details, please refer chapter titled "Other Regulatory and Statutory Disclosures" on page no. 294 of this Draft Red Herring Prospectus.*
14. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

## 15. Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 69.95% of the pre- Issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

| Date of Allotment / Transfer | Nature of Issue / Transaction                   | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition/Transfer Price (₹) | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital | Pledge |
|------------------------------|---|-------------------------|----------------------|---------------------------------|--------|--------------------------------|-------------------------------------|--------------------------------------|--------|
| <b>Mr. Ashraf P</b>          |   |                         |                      |                                 |        |                                |                                     |                                      |        |
| On Incorporation             | Subscription to MOA                             | Cash                    | 500                  | 500                             | 100/-  | 100/-                          | 0.01%                               | [●]%                                 | No     |
| February 26, 2024            | Transfer from Mr. Abdul Basheer                 | Cash                    | 5,000                | 5,500                           | 100/-  | 100/-                          | 0.11%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Abdul Haseeb P K              | Cash                    | 11,072               | 16,572                          | 100/-  | 100/-                          | 0.25%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Abdul Muneer Thacharakkara    | Cash                    | 5,000                | 21,572                          | 100/-  | 100/-                          | 0.11%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Abdul Nazer Nambidi Parambath | Cash                    | 5,000                | 26,572                          | 100/-  | 100/-                          | 0.11%                               | [●]%                                 | No     |
|                              | Transfer from Ms. Abida C                       | Cash                    | 7,045                | 33,617                          | 100/-  | 100/-                          | 0.16%                               | [●]%                                 | No     |
|                              | Transfer from Ms. Fazeela C                     | Cash                    | 7,045                | 40,662                          | 100/-  | 100/-                          | 0.16%                               | [●]%                                 | No     |

| Date of Allotment / Transfer | Nature of Issue / Transaction       | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition/Transfer Price (₹) | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital | Pledge |
|------------------------------|-------------------------------------|-------------------------|----------------------|---------------------------------|--------|--------------------------------|-------------------------------------|--------------------------------------|--------|
|                              | Transfer from Mr. Kader Kutty       | Cash                    | 3,518                | 44,180                          | 100/-  | 100/-                          | 0.08%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Mohamed Naseer    | Cash                    | 8,000                | 52,180                          | 100/-  | 100/-                          | 0.18%                               | [●]%                                 | No     |
|                              | Transfer from Ms. Sabira            | Cash                    | 7,045                | 59,225                          | 100/-  | 100/-                          | 0.16%                               | [●]%                                 | No     |
| February 26, 2024            | Transfer from Ms. Najiya Thoiba     | Gift                    | 8,805                | 68,030                          | 100/-  | Nil                            | 0.20%                               | [●]%                                 | No     |
| February 27, 2024            | Transfer from Mr. Kunheedu Pilakkal | Cash                    | 8,000                | 76,030                          | 100/-  | 100/-                          | 0.18%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Saidalavi         | Cash                    | 8,000                | 84,030                          | 100/-  | 100/-                          | 0.18%                               | [●]%                                 | No     |
| February 28, 2024            | Transfer from Mr. Arafath           | Cash                    | 8,295                | 92,325                          | 100/-  | 100/-                          | 0.19%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Jamsheer          | Cash                    | 6,773                | 99,098                          | 100/-  | 100/-                          | 0.15%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Mohamed Shafi P K | Cash                    | 6,021                | 1,05,119                        | 100/-  | 100/-                          | 0.14%                               | [●]%                                 | No     |
| March 4, 2024                | Transfer Mr. Aboobkacker            | Cash                    | 3,000                | 1,08,119                        | 100/-  | 100/-                          | 0.07%                               | [●]%                                 | No     |
|                              | Transfer from Ms. Mashhura Sherin   | Cash                    | 10,430               | 1,18,549                        | 100/-  | 100/-                          | 0.23%                               | [●]%                                 | No     |
|                              | Transfer from Ms. Sahida            | Cash                    | 7,068                | 1,25,617                        | 100/-  | 100/-                          | 0.16%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Sainul Abideen    | Cash                    | 5,000                | 1,30,617                        | 100/-  | 100/-                          | 0.11%                               | [●]%                                 | No     |
|                              | Transfer from Mr. Sulaiman Tilayil  | Cash                    | 5,000                | 1,35,617                        | 100/-  | 100/-                          | 0.11%                               | [●]%                                 | No     |

| Date of Allotment / Transfer   | Nature of Issue / Transaction            | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition/Transfer Price (₹) | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital | Pledge |
|--|--|-------------------------|----------------------|---------------------------------|--------|--------------------------------|-------------------------------------|--------------------------------------|--------|
|  | Transfer from Mr. Thaha                  | Cash                    | 6,346                | 1,41,963                        | 100/-  | 100/-                          | 0.14%                               | [●]%                                 | No     |
| March 6, 2024  | Transfer from Ms. Fathwimathul Husna     | Cash                    | 6,190                | 1,48,153                        | 100/-  | 100/-                          | 0.14%                               | [●]%                                 | No     |
|  | Transfer from Mr. Muhammed Safwan K. T   | Cash                    | 2,996                | 1,51,149                        | 100/-  | 100/-                          | 0.07%                               | [●]%                                 | No     |
|  | Transfer from Ms. Nihala Puthukudi       | Cash                    | 7,885                | 1,59,034                        | 100/-  | 100/-                          | 0.18%                               | [●]%                                 | No     |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each. |  |                         |                      |                                 |        |                                |                                     |                                      |        |
| September 30, 2024   | Transfer from Mr. Sharafali              | Cash                    | 21,700               | 16,12,040                       | 10/-   | 30/-                           | 0.49%                               | [●]%                                 | No     |
|  | Transfer from Mr. Abdul Rasik Karumannil | Cash                    | 46,590               | 16,58,630                       | 10/-   | 30/-                           | 1.05%                               | [●]%                                 | No     |
| <b>Total</b>   |  |                         | <b>16,58,630</b>     |                                 |        |                                | <b>37.29%</b>                       |                                      |        |
| <b>Ms. Fathima Jasna Kottekatu</b>   |  |                         |                      |                                 |        |                                |                                     |                                      |        |
| January 29, 2019   | Private Placement                        | Other than Cash         | 7,540                | 7,540                           | 100/-  | -                              | 0.17%                               | [●]%                                 | No     |
| February 26, 2024  | Transfer from Ms. Sumayya Beegum         | Cash                    | 10,000               | 17,540                          | 100/-  | 100/-                          | 0.22%                               | [●]%                                 | No     |
| February 27, 2024  | Transfer from Ms. Thasleena              | Cash                    | 4,000                | 21,540                          | 100/-  | 100/-                          | 0.09%                               | [●]%                                 | No     |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each. |  |                         |                      |                                 |        |                                |                                     |                                      |        |
| <b>Total</b>   |  |                         | <b>2,15,400</b>      |                                 |        |                                | <b>4.84%</b>                        |                                      |        |
| <b>Mr. Kunhimohamed P</b>  |  |                         |                      |                                 |        |                                |                                     |                                      |        |
| On Incorporation   | Subscription to MOA                      | Cash                    | 500                  | 500                             | 100/-  | 100/-                          | 0.01%                               | [●]%                                 | No     |
| March 28, 2019   | Private Placement                        | Cash                    | 50,000               | 50,500                          | 100/-  | 100/-                          | 1.12%                               | [●]%                                 | No     |
| July 05, 2023  | Rights Issue                             | Cash                    | 24,187               | 74,687                          | 100/-  | 100/-                          | 0.54%                               | [●]%                                 | No     |
| February 26, 2024  | Transfer from Mr. Abdul                  | Gift                    | 10,000               | 84,687                          | 100/-  | Nil                            | 0.22%                               | [●]%                                 | No     |

| Date of Allotment / Transfer   | Nature of Issue / Transaction              | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition/Transfer Price (₹) | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital | Pledge |
|--|--|-------------------------|----------------------|---------------------------------|--------|--------------------------------|-------------------------------------|--------------------------------------|--------|
|  | Gafoor Puthumannil                         |                         |                      |                                 |        |                                |                                     |                                      |        |
| February 26, 2024  | Transfer from Mr. Mohammed Perinakadakkatt | Gift                    | 7,828                | 92,515                          | 100/-  | Nil                            | 0.18%                               | [●]%                                 | No     |
| February 26, 2024  | Transfer from Ms. Soumya                   | Cash                    | 7,659                | 1,00,174                        | 100/-  | 100/-                          | 0.17%                               | [●]%                                 | No     |
| February 26, 2024  | Transfer from Ms. Sulaika Perinakadakkad   | Gift                    | 16,439               | 1,16,613                        | 100/-  | Nil                            | 0.37%                               | [●]%                                 | No     |
| February 26, 2024  | Transfer from Mr. Thulasi Gopal            | Cash                    | 7,137                | 1,23,750                        | 100/-  | 100/-                          | 0.16%                               | [●]%                                 | No     |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each. |  |                         |                      |                                 |        |                                |                                     |                                      |        |
| <b>Total</b>   |  |                         | <b>12,37,500</b>     |                                 |        |                                | <b>27.82%</b>                       |                                      |        |

16. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group.

| Category of Promoter         | Pre-Issue        |                        | Post-Issue    |                         |
|------------------------------|------------------|------------------------|---------------|-------------------------|
|                              | No. of Shares    | % of Pre-Issue Capital | No. of Shares | % of Post-Issue Capital |
| <b>Promoters</b>             |                  |                        |               |                         |
| Mr. Ashraf P                 | 16,58,630        | 37.29%                 | [●]           | [●]%                    |
| Mr. Kunhimohamed P           | 12,37,500        | 27.82%                 | [●]           | [●]%                    |
| Ms. Fathima Jasna Kottekattu | 2,15,400         | 4.84%                  | [●]           | [●]%                    |
| <b>Promoter Group</b>        |                  |                        |               |                         |
| Ms. Asya                     | 3,06,770         | 6.90%                  | [●]           | [●]%                    |
| <b>Total</b>                 | <b>34,18,300</b> | <b>76.84%</b>          | [●]           | [●]%                    |

17. None of our Directors or Key Managerial Personnel or senior management hold any Equity Shares other than as set out below:

| Name                         | Designation                              | No. of Equity Shares held | % of pre-Issue paid up capital | % of post Issue paid up capital |
|------------------------------|--|---------------------------|--------------------------------|---------------------------------|
| Mr. Ashraf P                 | Promoter, Chairman and Managing Director | 16,58,630                 | 37.29%                         | [●]%                            |
| Ms. Fathima Jasna Kottekattu | Promoter and Executive Director          | 2,15,400                  | 4.84%                          | [●]%                            |

18. There were no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of this Draft Red Herring Prospectus.

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

## 20. Promoters' Contribution and Lock-in details

### *Details of Promoter's Contribution locked-in for three (3) years*

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations and amendments thereto, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue and the Promoters' shareholding in excess of 20% of the post Issue Equity Share capital of our Company shall be locked in as per Regulation 238(b) of the SEBI ICDR Regulation, 2018 and amendments thereto.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

| Name of Promoter   | Date of Allotment/Acquisition & when made fully paid up | No of Equity shares | No of Equity shares locked in | Face Value (in ₹) | Issue Price (in ₹) | Nature of Allotment                       | % Of Post-Issue Paid-up Capital* | Lock-in Period |
|--|---|---------------------|-------------------------------|-------------------|--------------------|---|----------------------------------|----------------|
| Mr. Ashraf P   | MOA   | 500                 | 500                           | 100               | 100                | Subscription to Memorandum of Association | [●]                              | 3 Years        |
|  | February 26, 2024                                       | 58,725              | 58,725                        | 100               | 100                | Transfer                                  | [●]                              |                |
|  | February 27, 2024                                       | 16,000              | 16,000                        | 100               | 100                | Transfer                                  | [●]                              |                |
|  | February 28, 2024                                       | 21,089              | 21,089                        | 100               | 100                | Transfer                                  | [●]                              |                |
|  | March 4, 2024   | 36,844              | 25,686                        | 100               | 100                | Transfer                                  | [●]                              |                |
|  | Total   | 1,33,158            | Up to 1,22,000                |                   |                    |   |                                  |                |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each. |   |                     |                               |                   |                    |   |                                  |                |
| Total  |   | 13,31,580           | Up to 12,20,000               | 10                | 10                 | -   | [●]                              | 3 Years        |

*\*The above details shall be filled up in the Prospectus.*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations and amendments thereto. In this computation, as per Regulation 237 of the SEBI ICDR Regulations and amendments thereto, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being issued to the public in this Issue is not part of the minimum promoter's contribution.
- The Equity Shares held by the Promoters and issued for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoters for inclusion of upto 12,20,000 Equity Shares for ensuring lock-in of three years to the extent of minimum 20 % of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.

- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.
- We further confirm that our Promoters' Contribution of minimum 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.
- Our Promoters are in compliance with the provision of lock-in shares as per SEBI ICDR Regulations, 2018 and amendments thereto.

#### ***Details of Equity Shares held by Promoters in excess of minimum promoters' contribution***

Lock in of Equity Shares held by Promoters in excess of minimum promoters' contribution as per Regulation 238 of the SEBI ICDR Regulations, 2018 and amendments thereto. Pursuant to Regulation 238(b) of the SEBI ICDR Regulations, 2018 and amendments thereto, the Equity Shares held by our Promoters and promoters' holding in excess of minimum promoters' contribution shall be locked as follows:

- Fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer i.e. pre-Issue of [●] Equity Shares shall be subject to lock-in; and
- Remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer i.e. pre- Issue of [●] Equity Shares shall be subject to lock-in.

#### ***Details of Equity Shares held by persons other than the Promoters***

Lock in of Equity Shares held by persons other than promoters as per Regulation 239 of the SEBI ICDR Regulations and amendment thereto. The entire pre-issue capital held by persons other than the promoters shall be locked-in for a period of one year from the date of allotment in the initial public offer, i.e. pre-Issue of [●] Equity Shares shall be subject to lock-in.

#### ***Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors***

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

#### ***Inscription or recording of non-transferability***

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

#### ***Pledge of Locked in Equity Shares***

Pursuant to Regulation 242 of the SEBI ICDR Regulations and amendments thereto, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- if the equity shares are locked-in in terms of clause (a) of Regulation 238 of SEBI ICDR Regulation, 2018 and amendments thereto, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the issue and pledge of equity shares is one of the terms of sanction of the loan;
- if the specified securities are locked-in in terms of clause (b) of Regulation 238 of SEBI ICDR Regulation, 2018 and amendments thereto and the pledge of specified securities is one of the terms of sanction of the loan.

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



### ***Transferability of Locked in Equity Shares***

- (a) Pursuant to Regulation 243 of the SEBI ICDR Regulations and amendments thereto, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations and its amendments thereto, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
  - (b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations and its amendments thereto, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- 21. Neither the Company, nor it's Promoters, Directors or the Book Running Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
  - 22. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.
  - 23. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  - 24. As on date of this Draft Red Herring Prospectus, there are no outstanding ESOP's, ESPS's, Stock Appreciation Right Scheme, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs, ESPS's and Stock Appreciation Right Scheme till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, Employee Stock Purchase Scheme or Stock Appreciation Right Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
  - 25. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "*Basis of Allotment*" in the chapter titled "*Issue Procedure*" beginning on page 322 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 268(2) of SEBI ICDR Regulations, as amended from time to time.
  - 26. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
  - 27. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
  - 28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large
  - 29. We have 7 (Seven) Shareholders as on the date of filing of this Draft Red Herring Prospectus.
  - 30. Our Company is in compliance with The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Draft Red Herring Prospectus
  - 31. As per RBI regulations, OCBs are not allowed to participate in this Issue.
  - 32. Our Company has not raised any bridge loans.

33. The Equity Shares of our company are in dematerialized form.
34. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
35. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this issue.
36. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Red Herring Prospectus and the issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
37. Our Company shall also ensure that any proposed pre-IPO placement disclosed in the draft offer document shall be reported to the stock exchange(s), within twenty-four hours of such pre-IPO transactions (in part or in entirety) – **Not Applicable**
38. Our Promoters and Promoter Group will not participate in the Issue.
39. Our Company has not undertaken any arrangements (acquisition, amalgamation and merger, slump sale, existing or proposed both) in the last 5 financial years.
40. Our Company has not issued any Compulsory Convertible Preference Share as on the date of this Draft Red Herring Prospectus:

| S. No.                | Name of the Shareholder | Date of Acquisition of Preference Share | Number of Preference Shares Acquired | Conversion Ration | Number of Equity Shares to be allotted/ allotted post conversion | Acquisition price per preference shares | Estimated Price per Equity Shares (based on conversion) |
|-----------------------|-------------------------|---|--------------------------------------|-------------------|--|---|---|
| <b>Not Applicable</b> |                         |   |                                      |                   |  |   |   |

41. Our Company has not issued any Debentures whether CCD's or NCD's as on the date of this Draft Red Herring Prospectus:

| Number of Debentures issued | Date of issuance | Proposed Conversion | Material terms and conditions | Name of the Nominee |
|-----------------------------|------------------|---------------------|-------------------------------|---------------------|
| <b>Not Applicable</b>       |                  |                     |                               |                     |

42. None of the public shareholders/investors of our Company is directly/indirectly related with our Book Running Lead Manager or their associates.
43. The Book Running Lead Manager is not Associated with our Company within the meaning of Regulation 21A(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations and amendments thereto.
44. There are no safety net arrangements for this Public Issue.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### REQUIREMENT OF FUNDS

The Issue comprises of fresh issue of up to 16,20,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs.

Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Funding of capital expenditure requirements for purchase of new Equipment by our Company;
2. Repayment/prepayment of all or certain of our borrowings availed of by our Company
3. General corporate purposes;

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

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the SME Platform of BSE Limited (BSE SME) including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

#### ISSUE PROCEEDS

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

(₹ in Lakhs)

| Particulars                               | Amount*    |
|---|------------|
| Gross Proceeds of the Issue               | [●]        |
| Less: Issue related Expenses <sup>#</sup> | [●]        |
| <b>Net Proceeds of the Issue</b>          | <b>[●]</b> |

<sup>\*</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>#</sup>The Issue related expenses shall be determined at the time of filing Prospectus with RoC.

#### UTILISATION OF NET PROCEEDS

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

(₹ in Lakhs)

| Sr. No | Particulars  | Estimated Amount* | % of Gross Proceeds | % of Net Proceeds |
|--------|--|-------------------|---------------------|-------------------|
| 1.     | Funding of capital expenditure requirements for purchase of new Equipment by our Company | 262.55            | [●]                 | [●]               |
| 2.     | Repayment/prepayment of all or certain of our borrowings availed of by our Company       | 800.00            | [●]                 | [●]               |
| 3.     | General corporate purposes <sup>#</sup>  | [●]               | [●]                 | [●]               |
|        | <b>Total*</b>  | <b>[●]</b>        | <b>[●]</b>          | <b>[●]</b>        |

<sup>#</sup>The amount utilized for general corporate purpose shall not exceed fifteen percent of the amount being raised by our Company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation as amended thereto.

<sup>\*</sup>To be updated in the Prospectus prior to filing with RoC.

#### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

Our Company plans to deploy the funds towards the above stated Objects depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

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

(₹ in lakhs)

| Sr. No | Object   | Estimated Amount to be financed from Net Proceeds* | Estimated deployment or Utilizations of Net Proceeds in Fiscal 2025-26* |
|--------|--|--|---|
| 1.     | Funding of capital expenditure requirements for purchase of new Equipment by our Company | 262.55   | 262.55  |
| 2.     | Repayment/prepayment of all or certain of our borrowings availed of by our Company       | 800.00   | 800.00  |
| 3.     | General corporate purposes <sup>#</sup>  | [●]  | [●]   |
|        | <b>Total</b>   | [●]  | [●]   |

<sup>#</sup>The amount utilized for general corporate purpose shall not exceed fifteen percent of the amount being raised by our Company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 as amended thereto.

\*To be updated in the Prospectus prior to filing with RoC.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled see Risk Factor no. 13 “We intend to utilise a portion of the Net Proceeds for funding our Capital Expenditure for purchase of certain Equipment. We are yet to place orders for such Capital Expenditure. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected” of this Draft Red Herring Prospectus.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2025-26. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year i.e., 2026-27, as may be determined by the Board, 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 towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations and amendments thereto. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls.

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. We are yet to place orders for any of the components of the Proposed Objects. The Proposed Objects may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. Further, the Objects of the Issue includes orders for purchase of equipment which have not yet been placed. There can be no assurance that we would be able to procure plant and machineries at the estimated costs. For further details, see Risk Factor no. 13. “We intend to utilise a portion of the Net Proceeds for funding our Capital Expenditure for purchase of certain Equipment. We are yet to place orders for such Capital Expenditure. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected” in “Risk Factors” on page 35 of this Draft Red Herring Prospectus. If we engage

someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

## MEANS OF FINANCE

We intend to finance our Objects of Issue through Net Proceeds which is as follows:

(₹ in Lakhs)

| Particulars  | Amount* |
|--------------|---------|
| Net Proceeds | ●       |
| <b>Total</b> | ●       |

*\*To be determined upon finalization of the Issue Price and updated in the Prospectus prior to filing with the RoC*

The fund requirements for the Objects are proposed to be entirely funded from the Net Proceeds and in case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company shall utilise its internal accruals and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we confirm that there is no requirement 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 through the Fresh Issue as required under Regulation 230(1)(e) the SEBI ICDR Regulations and amendments thereto.

## DETAILS OF THE OBJECTS OF THE ISSUE

### 1. Funding of capital expenditure requirements for purchase of new Equipment by our Company:

Our operational capabilities and capacity will be further expanded as long as it helps us achieve better overall performance. As part of our business expansion plan, we must purchase more equipment because our company engages mainly into manufacturing of Gold Jewellerys, which call for highly inventive outputs to satisfy customer needs at bulk quantities, shorten lead times and satisfy industry standards. We intend to increase our output capacity by way of installation of new equipment in our existing premises located in Malappuram, Kerala i.e. 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad - 676519, Kerala, India, for further details, see "Properties" under "Our Business" Chapter on page 187 of this Draft Red Herring Prospectus .

We understand that the installation will enable us to achieve functional efficiency and will enhance the capacity of the finished product and stay up to date with technology. When we see opportunities such as the one above that we believe could help our company, our stakeholders, and our clients, we will continue looking for them.

Our Board in its meeting dated April 15, 2025 took note that an amount of ₹ 262.55 Lakhs is proposed to be utilised for the purchase of equipment as detailed below from the Net Proceeds. We are yet to place orders for equipment mentioned below in detail, Accordingly, orders worth ₹ 262.55 Lakhs, which constitutes 100% of the total estimated costs which is proposed to be utilized from the issue proceeds in relation to expansion of the Jewellery making capacities are yet to be placed. Our Company has received quotations from various vendors for such equipment and is yet to place 100% orders or enter into definitive agreements for purchase of the equipment. In line with our expansion strategy, we believe that this will enable us to meet the needs of our expanding business while continuing to operate effectively and efficiently. The break-down of the estimated costs are set forth below. Our Company has identified the equipment to be purchased and obtained quotations from respective vendors. The amount to be spent and equipment to be procured by our Company will depend upon business requirements and technology advancement.

We propose to purchase following equipment for our existing registered office and manufacturing facility along with the detailed description of the equipment to be purchased:

- 3D Printer:** 3D printer is a type of printing machine which is able to print out designs in 3D shapes. Cad files are input to this machine. Machine will print the designs in resins exactly same as to input CAD files. The print quality and precision of output 3D shapes are dependent on the quality of equipment and resin.
- Vaccum Pressure and Injunction casting Machine:** Casting equipment is used to pour the melted gold into flask and to get gold casted. By this technology, the equipment can cast very smooth and even surfaces. Also, this machine can cast very thin surfaces of up to 0.3mm. This will help our Company to make light weight jewellery.

3. **Investment Mixing Machine:** This equipment is used to mix the investment powder with water (is a kind of powder like gypsum used in jewellery casting) and pouring to flask. Good quality machines will mix the powder with water with zero percentage of air trap inside.
4. **Wax Injector Machine:** This equipment is used to inject the wax into rubber molds. This is also a very important equipment in jewellery manufacturing. If this equipment is not good, it will affect the surface of finished product. In modern technology, it has inbuilt memory for storing parameters like wax temperature and clamp pressure, it will result in ease of production and replica of designs with no change in weight.
5. **Screw Making Setup:** The screw-making setup for earring back screws have revolutionized the production process by enhancing precision, speed, and overall quality. This automated system ensures that each screw is manufactured with superior finishing and smoother threads compared to traditional hand-made methods. The result is a consistent, which is essential for creating quality earring back screws that are both functional. The setup also allows for the production of lightweight screws, which is particularly important for comfort in jewellery applications.

In addition to better quality, this machinery also offers the advantage of minimizing material wastage, making the process more efficient and cost-effective. The setup can produce up to 600g of screws per day, ensuring high output with less scrap compared to manual production. With the flexibility to create screws in various sizes, the system caters to different design requirements while maintaining precision and quality.

6. **CNC Strip Cutting machine:** The CNC Strip Cutting Machine is a Computerized Numerical Control (CNC) system designed to bring precision to the engraving and cutting of intricate patterns and designs on 2D gold metal sheets. This advanced machinery is capable of cutting metal sheets up to 1.5mm in thickness, offering quality results for a wide range of jewellery applications. With its ability to engrave complex textures and fine details, the CNC Strip Cutting Machine significantly enhances the design possibilities, allowing jewellers to create customized pieces with ease.

One of the key advantages of this machine is its compatibility with popular 2D design software such as CorelDRAW and other similar programs. This allows designers to directly transfer their digital patterns and designs into the machine for accurate engraving and cutting. The CNC machine can produce a variety of jewellery parts, including pendants, earrings, and necklace components. Whether for delicate patterns or more intricate textures, this technology helps create quality, detailed pieces that would be challenging to achieve by hand. Overall, the CNC Strip Cutting Machine improves production speed, reduces human error, and opens up endless creative possibilities in jewellery design.

7. **CNC Bangle/Ring Cutting machine:** The CNC Bangle/Ring Cutting Machine is a Computerized Numerical Control (CNC) system designed to bring precision to the creation of 3D jewellery designs. Unlike traditional methods, this machine allows jewellers to engrave and cut intricate patterns and textures on 3D objects like bangles and rings. The machine's ability to work with various shapes, including half-round, V-shape bangles and band rings, makes it easy in producing diverse jewellery styles. The CNC Bangle/Ring Cutting Machine offers quality results, enabling the creation of detailed designs that were once difficult or time-consuming to achieve by hand.

A key feature of this machine is its compatibility with 2D design software such as CorelDRAW, allowing designers to transfer their digital 2D patterns directly into the CNC system. These patterns are then accurately cast into the 3D shapes of rings and bangles, enabling the production of custom pieces. Whether crafting delicate engravings or more complex 3D textures, this CNC machine ensures quality, consistent results, while also reducing production time. Ideal for creating both traditional and modern jewellery designs, the CNC Bangle/Ring Cutting Machine enhances creativity and efficiency in jewellery manufacturing.

The details and total estimated cost towards purchasing equipment is as follows:

| Sr . N o. | Type of Machine   | Machinery Details                | Quant ity (In units) | Total Cost *<br>(₹ in Lakh s) | Name of Supplier /Vendor and address of the Vendor | Date of Quotati on | Validity of Quotati on | Purpose of the Machine                       | Installation Location               |
|-----------|-------------------|----------------------------------|----------------------|-------------------------------|--|--------------------|------------------------|--|-------------------------------------|
| 1.        | <b>3D Printer</b> | ProJet MJP 2500W Plus 3D Printer | 01                   | 48.00                         | Shree Rapid Technologies                           | March 27, 2025     | 190 days               | Print designs in 3D shapes used in manufactu | At the existing Manufacturin g Unit |

| Sr . N o. | Type of Machine                                      | Machinery Details   | Quant ity (In units) | Total Cost *<br>(₹ in Lakh s) | Name of Supplier /Vendor and address of the Vendor   | Date of Quotati on | Validity of Quotati on | Purpose of the Machine              | Installation Location               |
|-----------|--|---|----------------------|-------------------------------|--|--------------------|------------------------|-------------------------------------|-------------------------------------|
|           |  | ProJet MJP 2500W Plus 3D Printer Real Wax 3D Printer Based on MultiJet Printing (MJP), 3DSprint Client software |                      |                               | Address: C-51 2nd Floor Raj Industrial Premises Co-Op Soc. Ltd. Military Road Marol Andheri East, Mumbai - 400059  |                    |                        | ring the Gold Jewelleries           |                                     |
|           |  | Projet MJP 2500W Plus Support Dissolver Unit  | 01                   | 0.40                          |  |                    |                        | Accessorie s of 3D printer          | At the existing Manufacturin g Unit |
| 2.        | <b>Vaccum pressure and Injuction Casting Machine</b> | Model-VPC pure Fully Automatic Main Power-11Kw  | 01                   | 39.29 #                       | Western Equipment s and Allied Private Limited<br><br>Address: Oberoi Garden Estate, B-3082, Chandivali , Andheri East, Mumbai Maharasht ra, India, 400072 | March 27, 2025     | 180 days               | Casting Gold                        | At the existing Manufacturin g Unit |
| 3.        | <b>Investme nt Mixing Machine</b>                    | EB 8 (Standard Version) for 10KG Investment Material/5 Flasks with integrated vaccum pump                       | 01                   | 17.50                         | Millenia Technolog ies (I) Private Limited<br><br>Address: 318, Options Primo, Plot No. X-21, CTS-31, Near Passport Office, MIDC, Andheri East,            | March 18, 2025     | 180 days               | To mix investment powder with water | At the existing Manufacturin g Unit |

| Sr .<br>No. | Type of Machine             | Machinery Details   | Quantity (In units) | Total Cost *<br>(₹ in Lakhs) | Name of Supplier /Vendor and address of the Vendor   | Date of Quotation | Validity of Quotation | Purpose of the Machine                  | Installation Location              |
|-------------|-----------------------------|---|---------------------|------------------------------|--|-------------------|-----------------------|---|------------------------------------|
|             |                             |   |                     |                              | Mumbai Maharashtra India   |                   |                       |   |                                    |
| 4.          | <b>Wax Injector Machine</b> | Model- MJ-01-C13 SMART and pump VAP14 Plate/ Clamp dimensions 130x120x45/65(H) mm Standard Wax Injector single workstation for single operator, equipped with tank for wax in aluminum, injection system with piston 25cm <sup>3</sup> , colour graphic touch screen 7", self-centring clamp. | 02                  | 21.74 #                      | Western Equipments and Allied Private Limited<br><br>Address: Oberoi Garden Estate, B-3082, Chandivali , Andheri East, Mumbai Maharashtra, India, 400072 | March 27, 2025    | 180 days              | To replicate the designs of jewelleryes | At the existing Manufacturing Unit |
| 5.          | <b>Screw Making Setup</b>   | Mothorized Shearing Machine   | 01                  | 1.85 #                       | GIUSTITE CH SRL<br><br>Address: Via Segre n.11-Loc. Pieve al Toppo 52041 Civitella in Val di Chiana-Arezzo-Italy   | March 31, 2025    | 180 days              | To make Earrings back screws            | At the existing Manufacturing Unit |
|             |                             | New Profiling Tube Machine with welding machine included and also packaging included  | 01                  | 18.13 #                      |  |                   |                       |   |                                    |
|             |                             | Automatic Pin Threading Machine including Rollers and Plate and packaging   | 01                  | 12.21 #                      |  |                   |                       |   |                                    |
|             |                             | Automatic Tube Threading Machine (TF1) Including packaging  | 01                  | 18.22 #                      |  |                   |                       |   |                                    |



| Sr . N o. | Type of Machine                 | Machinery Details   | Quantity (In units) | Total Cost *<br>(₹ in Lakhs) | Name of Supplier /Vendor and address of the Vendor   | Date of Quotation | Validity of Quotation | Purpose of the Machine  | Installation Location              |
|-----------|---------------------------------|---|---------------------|------------------------------|--|-------------------|-----------------------|---|------------------------------------|
| 6.        | CNC Strip Cutting Machine       | 5+2 Axis Double Head Pendant Cutting Machine (ATC)<br>Model No.: OM-7FPJ-DH | 01                  | 24.00                        | OM Automation<br><br>Address: Shed No.: C1B-271, Near Turbo Bearing, R-Road, Aji GIDC, Rajkot, Gujarat-360003            | April 01, 2025    | 180 days              | Cutting metal sheets  | At the existing Manufacturing Unit |
|           |                                 | 7 Axis Pendant cutting machine tools and accessories                        | 01                  | 1.44                         |  |                   |                       |   |                                    |
| 7.        | CNC Bangle/Ring Cutting Machine | Ultra 9 Axis (for rings and bangles) Including its parts                    | 01                  | 59.77                        | Vekaria Engineering Works Private Limited<br><br>Address: Kishan Chowk, Dwarkapuri Road, Jamnagar-361005, Gujarat, India | March 24, 2025    | 180 Days              | To engrave and cut intricate patterns and textures on 3D objects like bangles and rings | At the existing Manufacturing Unit |
|           | <b>Total</b>                    |   |                     | <b>262.55</b>                |  |                   |                       |   |                                    |

*\*Excluding Taxes. Tax payable on such machineries will be paid from our internal accruals. Certain quotations are subject to additional costs including forwarding costs as applicable which shall be paid out of Internal Accruals.*

*#Exchange rate for the above purchase order from Western Equipments and Allied Private Limited, and GUISTI TECH SRL are considered as 1 Euro = ₹ 92.50 (Rate as on March 31, 2025). Additional costs, if any, due to exchange rate fluctuations shall be borne by company from our internal accruals.*

**Notes:**

(a) We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.

(b) Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the equipment or at the same costs.

(c) The equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other equipment, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of equipment for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of fifteen percent of the amount being raised by our Company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 as amended from time to time.

(d) We are not acquiring any second-hand equipment.

(e) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost.

Our Promoters, Directors, Key Managerial Personnel and members of Senior Management do not have any interest in the above mentioned object except to the extent of the shareholding and directorship of three of Promoters, Directors and one of the Key Managerial Personnel, Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekattu. Also, our Promoters, Directors, Key Managerial Personnel and members of Senior Management do not have any interest in the entities from whom our Company has obtained quotations in relation to such activities. Our Company may in the ordinary course of business enter into separate arrangements with the third-party vendors for the above-mentioned object at the existing Manufacturing Facility. However, as on date of this Draft Red Herring Prospectus, there are no such arrangements and there is no assurance that we will be able to enter into such arrangements with such third-party vendors. It is undertaken that any such arrangements, if entered into, shall be entered into by our Company on an arms' length basis.

## 2. Repayment/prepayment of all or certain of our borrowings availed of by our Company:

Our Board in its meeting dated April 15, 2025 took note that an amount of ₹800.00 Lakhs is proposed to be utilized for repayment/ prepayment of certain borrowings availed by our Company from the Net Proceeds. Our Company has entered into financial arrangements from time to time, with various banks and financial institutions. The outstanding loan facilities entered into by our Company include secured and unsecured borrowing in the form of Loan against property of our Company and personal guarantees of the Promoters namely Mr. Ashraf P and Mr. Kunhimoamed P. As on March 15, 2025, the aggregate outstanding secured borrowings of our Company, is ₹ 2,865.76 Lakhs. Our Company proposes to utilise an estimated amount of ₹800.00 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of borrowings availed by us.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Draft Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs assist us in maintaining a favourable debt-to-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The details of the outstanding loans of our Company, as on March 15, 2025, which are proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below.

| Name of Lender | Nature of borrowing | Rate of Interest            | Tenure    | Date of Sanction | Date of Disbursement of Loan | Amount Sanctioned (₹ in Lakhs) | Amount outstanding as on March 15, 2025 (₹ in Lakhs) | Purpose         | Actual Utilisation of loan proceeds | Prepayment Penalty/Condition   |
|----------------|---------------------|-----------------------------|-----------|------------------|------------------------------|--------------------------------|--|-----------------|-------------------------------------|--|
| HDFC Bank      | Cash Credit         | 9 (Repo 6.5% + Spread 2.5%) | 12 Months | January 02, 2025 | January 13, 2025             | 2,500.00                       | 2,476.48   | Working Capital | Working Capital                     | Upto 4% of loan Principal outstanding for Term loan and 4% of the sanctioned amount for Working Capital Facility (plus taxes). |

|              |  |  |  |  |  |                 |                 |  |  |  |
|--------------|--|--|--|--|--|-----------------|-----------------|--|--|--|
| <b>Total</b> |  |  |  |  |  | <b>2,500.00</b> | <b>2,476.48</b> |  |  |  |
|--------------|--|--|--|--|--|-----------------|-----------------|--|--|--|

*Note: As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.*

*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations and amendments thereto, which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to their certificate dated April 28, 2025.*

Except as disclosed above, our Promoters, Directors and Key Managerial Personnel and Senior Management do not have any interest in the above-mentioned repayment/pre-payment of loan.

### 3. General Corporate Purpose

We propose to deploy the balance Net Proceeds, aggregating to ₹ [●] Lakhs towards general corporate purposes to drive our business growth. As per the applicable laws, we shall utilise the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act and SEBI ICDR regulations and amendments thereto.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Red Herring Prospectus, shall not exceed fifteen percent of the amount being raised by our Company or ₹ 10 Crores, whichever is less.

#### ESTIMATED ISSUE RELATED EXPENSES

The Total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs which is [●] % of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The breakup of the same is as follows:

| Particulars  | Estimated expenses (₹ In Lakhs) | As a % of total estimated Issue related expenses | As a % of the total Issue size |
|--|---------------------------------|--|--------------------------------|
| Book Running Lead Manager Fees which includes the following:               | [●]                             | [●]  | [●]                            |
| a. Merchant Banking Fees   | [●]                             | [●]  | [●]                            |
| b. Underwriting Fees   | [●]                             | [●]  | [●]                            |
| c. Fees payable to Market Maker to the Issue                               | [●]                             | [●]  | [●]                            |
| d. Fees payable to Registrar to the issue                                  | [●]                             | [●]  | [●]                            |
| e. Fees payable for Advertising and Marketing expenses                     | [●]                             | [●]  | [●]                            |
| Fees payable to Regulators including stock exchanges and depositories      | [●]                             | [●]  | [●]                            |
| Payment for Printing and stationery, postages, etc.                        |                                 |  |                                |
| Fees payable to Statutory Auditors, Legal Advisors and other professionals | [●]                             | [●]  | [●]                            |
| Others, if any (Brokerage, selling, commission, etc.)                      | [●]                             | [●]  | [●]                            |
| <b>Total Estimated Issue Expenses</b>                                      | <b>[●]</b>                      | <b>[●]</b>                                       | <b>[●]</b>                     |

*The fund deployed out of internal accruals and Bank Funding is up to May 06, 2025 is ₹ 5.50 Lakhs towards issue expenses vide certificate dated May 06, 2025 having UDIN 25265424BMOYUT5145 received from the Independent Chartered Accountants and the same will be recouped out of issue expenses.*

*Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:*

- 1) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.*

- 2) *Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.*
- 3) *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*
- 4) *The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*
- 5) *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

Other than the listing fees which will be borne solely by the Company, all costs, charges, fees and expenses relating to the Issue, including, among other things, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchange, the RoC and any other Governmental Authority, advertising, printing, road show expenses, accommodation and travel expenses, fees and expenses of the legal counsel, fees and expenses of the statutory auditors, registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLMs, syndicate members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Issue shall be borne by the Company, except as may be prescribed by the SEBI or any other regulatory authority.

The Promoters agree that they shall reimburse the Company for any expenses in relation to the Issue paid by the Company on behalf of the Promoters directly from the Public Issue Account. In the event that the Issue is postponed or withdrawn or abandoned for any reason or the Issue is not successful or consummated, all costs and expenses with respect to the Issue shall be borne by the Company and on pro rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue, including but not limited to, the fees and expenses of the BRLMs and the legal counsel in relation to the Issue, in such manner as agreed.

## **APPRAISAL**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on the management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy. For further details, please see Risk Factor no. 46 “*Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and we have not entered into any definitive arrangements to utilize the Net Proceeds of the Issue and the Objects have not been independently appraised by a bank or a financial institution. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval*”. in the “Risk Factor” Chapter on page no. 64 of this Draft Red Herring Prospectus.

## **SHORTFALL OF FUNDS**

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

## **BRIDGE FINANCING FACILITIES**

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

## **MONITORING OF UTILIZATION OF FUNDS**

As this is a Fresh Issue for less than ₹5,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations and amendments thereto.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

#### **INTERIM USE OF FUNDS**

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

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

#### **VARIATION IN OBJECTS**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and applicable rules. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER'S GROUP FROM THE IPO PROCEEDS**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

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

*Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 35, 227, 273 and 153 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.*

### QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for the Issue price are:

- Wide product range, Design and Innovation in our product range
- Experienced Promoter and management team with proven execution capabilities and Skilled work force with contemporary designing capabilities
- Long-standing relationship with reputed jewellery dealers
- Organised manufacturing set-up under one roof

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see section titled “Our Strengths” in the chapter titled “Our Business” on page 153 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented in this chapter is derived from Company’s Restated Financial Statements for the period ended December 31, 2024 and financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022, has been prepared in accordance with Indian GAAP and in terms of the requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI as amended from time to time. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 227 of this Draft Red Herring Prospectus. Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

### QUANTITATIVE FACTORS

#### 1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”) as per AS 20

*As per Restated Financial Statements - Post Stock Split*

| Particulars   | Basic & Diluted EPS (in ₹) | Weights |
|---|----------------------------|---------|
| March 31, 2024  | 8.24                       | 3       |
| March 31, 2023  | 7.17                       | 2       |
| March 31, 2022  | 4.44                       | 1       |
| <b>Weighted Average</b>                                 | <b>7.25</b>                |         |
| For the period ended December 31, 2024 (Not annualised) | <b>4.17</b>                |         |

**Notes:**

1. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.
2. Earnings per Equity Share = Profit for the year / Weighted average number of equity shares outstanding during the year.
3. Basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20.
4. The basic and diluted Earnings per Equity Share for the current year and previous year presented have been calculated/restated after considering the bonus issue.
5. The face value of each Equity Share is ₹10/-.

**2. Price Earnings Ratio (“P/E”) in relation to the Issue Price of ₹ [●] per Equity share of ₹ 10/- each fully paid-up**

| Particulars  | P/E (number of times) * |
|--|-------------------------|
| <b>Based on Restated Financial Statements- Post Bonus</b>              | [●]                     |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24 | [●]                     |
| P/E ratio based on the Weighted Average Basic & Diluted EPS            | [●]                     |

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

**3. Industry P/E Ratio**

| Particulars | P/E Ratio |
|-------------|-----------|
| Highest     | 19.02     |
| Lowest      | 8.48      |
| Average     | 13.75     |

Note:

- (1) The industry high and low has been considered from the industry peer set provided later in this section.
- (2) The industry P / E ratio mentioned above is for the financial year ended March 31, 2024.
- (3) All the financial information for listed industry peers mentioned above is sourced from the audited financial results of the relevant companies for Fiscal 2024, as available on the website of the Stock Exchanges at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

**4. Return on Net worth (RoNW)**

*As per Restated Financial Statements*

| Particulars  | RONW (%)      | Weights |
|--|---------------|---------|
| March 31, 2024   | 27.56%        | 3       |
| March 31, 2023   | 28.64%        | 2       |
| March 31, 2022   | 24.84%        | 1       |
| <b>Weighted Average</b>  | <b>27.47%</b> |         |
| <b>For the period ended December 31, 2024 (Not annualised)</b> | <b>13.33%</b> |         |

Note: Return on Net Worth (%) = Profit for the year / Net Worth at the end of the year.

**5. Net Asset Value (NAV)**

*As per Restated Financial Statements – Post Stock Split*

| Financial Year  | NAV (₹) |
|---|---------|
| March 31, 2024  | 29.88   |
| March 31, 2023  | 25.04   |
| March 31, 2022  | 17.87   |
| For the period ended December 31, 2024 (Not annualised)         | 31.24   |
| Net Asset Value per Equity Share after the Issue at Floor price | [●]     |
| Net Asset Value per Equity Share after the Issue at Cap price   | [●]     |
| Issue Price*  | [●]     |

Note: Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the year / Weighted number of equity shares outstanding at the end of the year.

\*Issue Price shall be updated in the Prospectus prior to opening the issue

**6. Comparison of Accounting Ratios with listed Industry Peer**

| Name of Company                 | CMP (₹) | Face Value (₹) | Basic EPS (₹) | PE Ratio (times) | RoNW (%) | NAV per Share (₹) |
|---------------------------------|---------|----------------|---------------|------------------|----------|-------------------|
| AJC Jewel Manufacturers Limited | [●]     | 10             | 8.24          | [●]              | 27.56%   | 29.88             |

| Peer Group                |        |    |       |       |        |        |
|---------------------------|--------|----|-------|-------|--------|--------|
| Sky Gold Limited          | 398.25 | 10 | 35.18 | 8.48  | 16.58% | 184.42 |
| Patdiam Jewellery Limited | 272.00 | 10 | 14.30 | 19.02 | 10.33% | 138.41 |

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

Notes:

- (1) The figures for our company are based on Restated Financial Statements for the year ended March 31, 2024 after taking effect of the Bonus Shares.
- (2) The figures for the Peer Group are based on the Financial Statements filed for the financial year ended March 31, 2024.
- (3) P/E Ratio has been computed based on their respective closing market price on May 06, 2025 as divided by the Basic EPS as on March 31, 2024.
- (4) CMP is the closing prices or the last traded price of respective scripts as on May 06, 2025, however, Patdiam Jewellery Limited was last traded on March 27, 2025, Therefore, CMP as on May 06, 2025, is the closing price on March 27, 2025 for Patdiam Jewellery Limited.
- (5) The Issue Price determined by our Company in consultation with the Book Running Lead Manager is justified by our Company in consultation with the Lead Manager on the basis of the above parameters.

## 7. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 15, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s Vinay Bhushan & Associates, Chartered Accountants by their certificate dated April 15, 2025

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 153 and 273 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1 of this Draft Red Herring Prospectus.

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

### a) Key Performance Indicators of our Company.

#### As per Restated Financial Statements

(₹ in Lakhs)

| Key Financial Performance                             | For the Period ended December 31, 2024 | For the Financial Year ended |                |                |
|---|--|------------------------------|----------------|----------------|
|   |  | March 31, 2024               | March 31, 2023 | March 31, 2022 |
| Revenue from Operations <sup>(1)</sup>                | 17,504.76                              | 24,588.99                    | 19,418.14      | 12,739.10      |
| EBITDA <sup>(2)</sup>                                 | 364.07                                 | 539.63                       | 394.08         | 213.97         |
| EBITDA Margin (%) <sup>(3)</sup>                      | 2.08%                                  | 2.19%                        | 2.03%          | 1.68%          |
| PAT <sup>(4)</sup>                                    | 185.32                                 | 331.94                       | 203.89         | 126.19         |
| PAT Margin (%) <sup>(5)</sup>                         | 1.06%                                  | 1.35%                        | 1.05%          | 0.99%          |
| Return on equity (%) <sup>(6)</sup>                   | 14.29%                                 | 34.64%                       | 33.42%         | 24.80%         |
| Return on capital employed (%) <sup>(7)</sup>         | 11.94%                                 | 17.47%                       | 11.31%         | 17.78%         |
| Debt-Equity Ratio (times)                             | 1.32                                   | 1.87                         | 3.68           | 1.30           |
| Net fixed asset turnover ratio (times) <sup>(9)</sup> | 48.61                                  | 64.32                        | 69.97          | 108.29         |
| Current Ratio (times) <sup>(10)</sup>                 | 1.65                                   | 1.42                         | 1.19           | 1.35           |

Notes: M/s. Vinay Bhushan & Associates, Chartered Accountants by their certificate dated April 15, 2025



- (1) Revenue from operations means the revenue from sale of our products.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income.
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- (4) PAT is calculated as PBT – Total Tax expense.
- (5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- (6) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.
- (7) Return on Capital Employed is calculated as follows: Profit before tax + Finance Costs – Other Income (EBIT) divided by (Tangible Net Worth + Total Debt + Deferred Tax Liabilities).
- (8) Debt to Equity ratio is calculated as Total Debt divided by equity.
- (9) Net Fixed asset turnover ratio is calculated by dividing the Revenue from Operations by net Fixed Assets of the Company.
- (10) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

**b) Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

**Explanations for the certain financial data based on Restated Financial Statements**

| Key Financial Performance      | Explanations  |
|--------------------------------|---|
| Revenue from Operations        | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business. |
| EBITDA                         | EBITDA provides information regarding the operational efficiency of the business.   |
| EBITDA Margin                  | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.   |
| PAT                            | Profit after tax provides information regarding the overall profitability of the business.  |
| PAT Margin                     | PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.  |
| Return on Equity               | Return on equity (ROE) is a measure of financial performance.   |
| Return on Capital Employed     | Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.   |
| Debt-Equity Ratio              | Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.   |
| Net Fixed Asset Turnover Ratio | Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.  |
| Current Ratio                  | The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.  |

**c) Comparison with Listed Industry Peers**

(₹ in Lakhs)

| Key Financial Performance | AJC Jewel Manufacturers Limited |                |                | Sky Gold & Diamond Limited |                |                | Patdiam Jewellery Limited |                |                |
|---------------------------|---------------------------------|----------------|----------------|----------------------------|----------------|----------------|---------------------------|----------------|----------------|
|                           | March 31, 2024                  | March 31, 2023 | March 31, 2022 | March 31, 2024             | March 31, 2023 | March 31, 2022 | March 31, 2024            | March 31, 2023 | March 31, 2022 |
| Revenue from              | 24,588.99                       | 19,418.14      | 12,739.10      | 174,548.42                 | 115,380.07     | 78,570.00      | 10,340.49                 | 10,567.87      | 10,573.33      |

| Key Financial Performance                             | AJC Jewel Manufacturers Limited |                |                | Sky Gold & Diamond Limited |                |                | Patdiam Jewellery Limited |                |                |
|---|---------------------------------|----------------|----------------|----------------------------|----------------|----------------|---------------------------|----------------|----------------|
|   | March 31, 2024                  | March 31, 2023 | March 31, 2022 | March 31, 2024             | March 31, 2023 | March 31, 2022 | March 31, 2024            | March 31, 2023 | March 31, 2022 |
| Operations <sup>(1)</sup>                             |                                 |                |                |                            |                |                |                           |                |                |
| EBITDA <sup>(2)</sup>                                 | 539.63                          | 394.08         | 213.97         | 7,724.94                   | 3,631.34       | 2,028.63       | 746.49                    | 871.98         | 733.21         |
| EBITDA Margin (%) <sup>(3)</sup>                      | 2.19%                           | 2.03%          | 1.68%          | 4.43%                      | 3.15%          | 2.58%          | 7.22%                     | 8.25%          | 6.93%          |
| PAT <sup>(4)</sup>                                    | 331.94                          | 203.89         | 126.19         | 4,048.11                   | 1,860.88       | 1,695.12       | 617.31                    | 823.00         | 625.44         |
| PAT Margin (%) <sup>(5)</sup>                         | 1.35%                           | 1.05%          | 0.99%          | 2.32%                      | 1.61%          | 2.16%          | 5.97%                     | 7.79%          | 5.92%          |
| Return on equity (%) <sup>(6)</sup>                   | 34.64%                          | 33.42%         | 24.80%         | 23.66%                     | 21.28%         | 24.97%         | 11.00%                    | 17.00%         | 15.00%         |
| Return on capital employed (%) <sup>(7)</sup>         | 17.47%                          | 11.31%         | 17.78%         | 13.00%                     | 14.09%         | 11.26%         | 10.50%                    | 13.06%         | 13.93%         |
| Debt-Equity Ratio (times)                             | 1.87                            | 3.68           | 1.30           | 1.27                       | 1.49           | 1.20           | 0.05                      | 0.18           | 0.10           |
| Net fixed asset turnover ratio (times) <sup>(9)</sup> | 64.32                           | 69.97          | 108.29         | 70.60                      | 187.46         | 160.00         | 24.34                     | 32.50          | 44.35          |
| Current Ratio (times) <sup>(10)</sup>                 | 1.42                            | 1.19           | 1.35           | 1.47                       | 1.29           | 1.57           | 5.92                      | 4.09           | 5.95           |

**Explanation of KPIs:**

- (1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- (4) Profit after tax provides information regarding the overall profitability of the business.
- (5) PAT Margin is calculated as PAT for the year divided by revenue from operations.
- (6) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.
- (7) Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
- (8) Debt to Equity ratio is calculated as Long Term Debt + Short Term Debt divided by equity.
- (9) Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
- (10) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

**8. Justification for Basis for Issue price**

- a) **The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares**

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

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

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

- c) Since there is no such transaction to report to under (a) and (b), the following are the details of the last five primary or secondary transactions (secondary transactions where Promoter or members of the Promoter Group or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions:

**Primary Issuances**

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

| Date of Allotment   | No. of Equity Shares Allotted | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of Allotment | Total Consideration (₹ in Lakhs) |
|---|-------------------------------|----------------|-----------------|-------------------------|---------------------|----------------------------------|
| July 05, 2023 <sup>#</sup>  | 72,187                        | 100/-          | 100/-           | Cash                    | Rights Issue        | 72.18                            |
|   | 88,327*                       | 100/-          | -               | Other than cash         | Rights Issue        | 88.33                            |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each . |                               |                |                 |                         |                     |                                  |
| <b>Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share) after split</b>  |                               |                |                 |                         |                     | <b>10/-</b>                      |

<sup>#</sup>Out of the total allotment of 1,60,514 equity shares, made by the Company on July 05, 2023 consideration for 72,187 equity shares has been received in cash and for the remaining 88,327 shares by way of gold bullion. However considering the Gold bullion as deemed cash, whole of the transaction has been disclosed as "Consideration in cash" in the Form PAS-3 filed for the purpose.

<sup>\*</sup>For the purpose of calculating Weighted Average Cost of Acquisition we have considered the aforementioned allotment of 88,327 equity shares made against Gold bullion as allotment for "Consideration Other Than Cash"

**Secondary Transactions**

| Date of Transfer  | Name of the Transferor          | Name of the Transferee | No. of Securities | % of pre-Issue Paid up share capital on fully diluted basis | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Total Consideration (₹ in Lakhs) |
|-------------------|---------------------------------|------------------------|-------------------|---|----------------|-----------------|-------------------------|----------------------------------|
| February 26, 2024 | Mr. Abdul Basheer               | Mr. Ashraf P           | 5,000             | 0.11%   | 100/-          | 100/-           | Cash                    | 5,00,000                         |
|                   | Mr. Abdul Haseeb P K            |                        | 11,072            | 0.25%   | 100/-          | 100/-           | Cash                    | 11,07,200                        |
|                   | Mr. Abdul Muneer Thacharakkaral |                        | 5,000             | 0.11%   | 100/-          | 100/-           | Cash                    | 5,00,000                         |
|                   | Mr. Abdul Nazer                 |                        | 5,000             | 0.11%   | 100/-          | 100/-           | Cash                    | 5,00,000                         |

|   |                            |                             |                  |       |       |       |      |                    |
|---|----------------------------|-----------------------------|------------------|-------|-------|-------|------|--------------------|
|   | Nambidi Parambath          |                             |                  |       |       |       |      |                    |
|   | Ms. Abida C                |                             | 7,045            | 0.16% | 100/- | 100/- | Cash | 7,04,500           |
|   | Ms. Fazeela C              |                             | 7,045            | 0.16% | 100/- | 100/- | Cash | 7,04,500           |
|   | Mr. Kader Kutty            |                             | 3,518            | 0.08% | 100/- | 100/- | Cash | 3,51,800           |
|   | Mr. Mohamed Naseer         |                             | 8,000            | 0.18% | 100/- | 100/- | Cash | 8,00,000           |
|   | Ms. Sabira                 |                             | 7,045            | 0.16% | 100/- | 100/- | Cash | 7,04,500           |
|   | Ms. Sumayya Beegum         | Ms. Fathima Jasna Kottekatu | 10,000           | 0.22% | 100/- | 100/- | Cash | 10,00,000          |
|   | Ms. Soumya                 | Mr. Kunhimohamed P          | 7,659            | 0.17% | 100/- | 100/- | Cash | 7,65,900           |
|   | Mr. Thulasi Gopal          | Mr. Kunhimohamed P          | 7,137            | 0.16% | 100/- | 100/- | Cash | 7,13,700           |
| February 27, 2024   | Mr. Kunheedu Pilakkal      | Mr. Ashraf P                | 8,000            | 0.18% | 100/- | 100/- | Cash | 8,00,000           |
|   | Mr. Saidalavi              |                             | 8,000            | 0.18% | 100/- | 100/- | Cash | 8,00,000           |
|   | Ms. Thasleena              | Ms. Fathima Jasna Kottekatu | 4,000            | 0.09% | 100/- | 100/- | Cash | 4,00,000           |
| February 28, 2024   | Mr. Arafath                | Mr. Ashraf P                | 8,295            | 0.19% | 100/- | 100/- | Cash | 8,29,500           |
|   | Mr. Jamsheer               |                             | 6,773            | 0.15% | 100/- | 100/- | Cash | 6,77,300           |
|   | Mr. Mohamed Shafi P K      |                             | 6,021            | 0.14% | 100/- | 100/- | Cash | 6,02,100           |
| March 04, 2024  | Mr. Aboobkacker            | Mr. Ashraf P                | 3,000            | 0.07% | 100/- | 100/- | Cash | 3,00,000           |
|   | Ms. Mashhura Sherin        |                             | 10,430           | 0.23% | 100/- | 100/- | Cash | 10,43,000          |
|   | Ms. Sahida                 |                             | 7,068            | 0.16% | 100/- | 100/- | Cash | 7,06,800           |
|   | Mr. Sainul Abideen         |                             | 5,000            | 0.11% | 100/- | 100/- | Cash | 5,00,000           |
|   | Mr. Sulaiman Tilayil       |                             | 5,000            | 0.11% | 100/- | 100/- | Cash | 5,00,000           |
|   | Mr. Thaha                  |                             | 6,346            | 0.14% | 100/- | 100/- | Cash | 6,34,600           |
| March 06, 2024  | Ms. Fathwimathul Husna     | Mr. Ashraf P                | 6,190            | 0.14% | 100/- | 100/- | Cash | 6,19,000           |
|   | Mr. Muhammed Safwan K. T   |                             | 2,996            | 0.07% | 100/- | 100/- | Cash | 2,99,600           |
|   | Ms. Nihala Puthukudi       |                             | 7,885            | 0.18% | 100/- | 100/- | Cash | 7,88,500           |
| <b>Total</b>  |                            |                             | <b>1,78,525</b>  |       |       |       |      | <b>1,78,52,500</b> |
| Pursuant to a resolution passed by our Board dated February 02, 2024 and a special resolution passed by our Shareholders at an EGM on March 11, 2024, the existing equity shares of face value of ₹100 each were sub-divided into equity shares of face value of ₹10 each . |                            |                             |                  |       |       |       |      |                    |
| September 30, 2024  | Mr. Sharafali              | Mr. Ashraf P                | 21,700           | 0.49% | 10/-  | 30/-  | Cash | 6,51,000           |
| September 30, 2024  | Mr. Abdul Rasik Karumannil |                             | 46,590           | 1.05% | 10/-  | 30/-  | Cash | 13,97,700          |
|   |                            |                             | <b>18,53,540</b> |       |       |       |      | <b>1,99,01,200</b> |
| <b>Weighted average cost of acquisition (WACA) (in ₹ per Equity Share) is ₹ 10.74/- per Equity Share</b>  |                            |                             |                  |       |       |       |      |                    |

**d) Weighted average cost of acquisition, Issue Price**

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of Equity Shares as compared with the Price Band is set forth below:

| Types of transactions  | Weighted average cost of acquisition (₹ per Equity Share) | Floor Price (₹ [●])* | Cap Price (₹ [●])* |
|--|---|----------------------|--------------------|
| Weighted average cost of acquisition of primary issuances                                  | NA  | NA                   | NA                 |
| Weighted average cost of acquisition for secondary transactions                            | NA  | NA                   | NA                 |
| Weighted average cost of acquisition for past 5 primary issuances, as disclosed above      | 10/-  | [●]                  | [●]                |
| Weighted average cost of acquisition for past 5 secondary transactions, as disclosed above | 10.74/-   | [●]                  | [●]                |

*\*To be included upon finalization of the Price Band and will be updated at the Prospectus stage.*

*As certified by M/s. Kumar & Biju Associates LLP, Statutory Auditors of our Company, by way of their certificate dated April 28, 2025.*

- e) **Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the period ended December 31, 2024 and Fiscals 2024, 2023 and 2022.**

[●]\*

*\*To be included on finalization of Price Band.*

- f) **The Issue Price is [●] times of the face value of the equity shares**

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹ [●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 35 of this *Draft Red Herring Prospectus* and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Statements” beginning on page 227 of this Draft Red Herring Prospectus.



**VINAY BHUSHAN & ASSOCIATES  
CHARTERED ACCOUNTANTS**

726, 7<sup>th</sup> Floor, D – Wing, Neelkanth Business Park  
Near Bus Depot, Vidyavihar (West),  
Mumbai – 400086, Maharashtra (INDIA),  
+91 – 22 – 2513 8323  
Email Id: - info@vbaconsult.com  
GSTIN No: 27AAPFV6885P1ZS  
PAN No: AAPFV6885P

**STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors  
**AJC Jewel Manufacturers Limited**  
38/227-Z, Inkel Greens Edu City,  
Karathode-Konampara Road, Panakkad Village,  
Pattarkadavu, Malappuram, Ernad, Kerala-676519, India

**Dear Sir/Ma'am,**

**Subject - Statement of possible tax benefits (“the statement”) available to AJC Jewel Manufacturers Limited (Formerly known as AJC Jewel Manufacturers Private Limited) (hereinafter referred as “the Company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

**Reference - Initial Public Offer of Equity Shares by AJC Jewel Manufacturers Limited (Formerly known as AJC Jewel Manufacturers Private Limited).**

We hereby confirm that the attached Annexure 1 and 2 (together “the Annexures”), prepared by the **AJC Jewel Manufacturers Limited (Formerly known as AJC Jewel Manufacturers Private Limited) (“the Company”)**, provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2023, Circulars and Notifications issued thereunder from time to time, as applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2023, Circulars and Notifications issued from time to time, as applicable for the Financial Year 2023-24, presently in force in India (together, the “Tax Laws”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and/ or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the attached Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the management of the Company. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether:
  - i. the Company or its shareholders will continue to obtain these benefits in future;
  - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
  - iii. the Revenue Authorities/Courts will concur with the views expressed herein.
3. The contents of the attached Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. We do not give any assurance that the Revenue Authorities/ Courts will concur with the view expressed herein. Our views are solely based on existing provisions of law being force in India and implementation of such laws, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.

5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Offer Document in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

Yours faithfully,

**For M/s Vinay Bhushan & Associates**  
**Chartered Accountants**  
**FRN: 130529W**

**CA Ankit Shah**  
**Partner**  
**Membership No. 502632**

**Place: Mumbai**  
**Date: April 15, 2024**  
**UDIN: 25167697BMNXRC1977**

\*\*\*\*\*

## **ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS**

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

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

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

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

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

#### **Note:**

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

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



## **ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS**

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

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

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

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

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

#### **Note:**

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

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

## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

### GLOBAL ECONOMIC OVERVIEW

#### Forces Shaping the Outlook

The global economy is holding steady, although the degree of grip varies widely across countries. Global GDP growth in the third quarter of 2024 was 0.1 percentage point below that predicted in the October 2024 WEO, after disappointing data releases in some Asian and European economies. Growth in China, at 4.7 percent in year-over-year terms, was below expectations. Faster-than-expected net export growth only partly offset a faster-than-expected slowdown in consumption amid delayed stabilization in the property market and persistently low consumer confidence. Growth in India also slowed more than expected, led by a sharper-than-expected deceleration in industrial activity. Growth continued to be subdued in the euro area (with Germany's performance lagging that of other euro area countries), largely reflecting continued weakness in manufacturing and goods exports even as consumption picked up in line with the recovery in real incomes. In Japan, output contracted mildly owing to temporary supply disruptions. By contrast, momentum in the United States remained robust, with the economy expanding at a rate of 2.7 percent in year-over-year terms in the third quarter, powered by strong consumption. Global disinflation continues, but there are signs that progress is stalling in some countries and that elevated inflation is persistent in a few cases. The global median of sequential core inflation has been just slightly above 2 percent for the past few months. Nominal wage growth is showing signs of moderation, alongside indications of continuing normalization in labor markets. Although core goods price inflation has fallen back to or below trend, services price inflation is still running above pre-COVID-19 averages in many economies, most notably the United States and the euro area. Pockets of elevated inflation, reflecting a range of idiosyncratic factors, also persist in some emerging market and developing economies in Europe and Latin America.

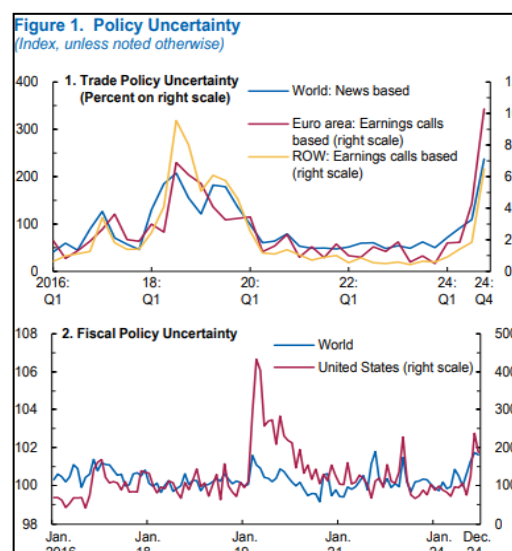
Where inflation is proving more sticky, central banks are moving more cautiously in the easing cycle while keeping a close eye on activity and labor market indicators as well as exchange rate movements. A few central banks are raising rates, marking a point of divergence in monetary policy.

Global financial conditions remain largely accommodative, again with some differentiation across jurisdictions (see Box 1). Equities in advanced economies have rallied on expectations of more business friendly policies in the United States. In emerging market and developing economies, equity valuations have been more subdued, and a broad-based strengthening of the US dollar, driven primarily by expectations of new tariffs and higher interest rates in the United States, has kept financial conditions tighter.

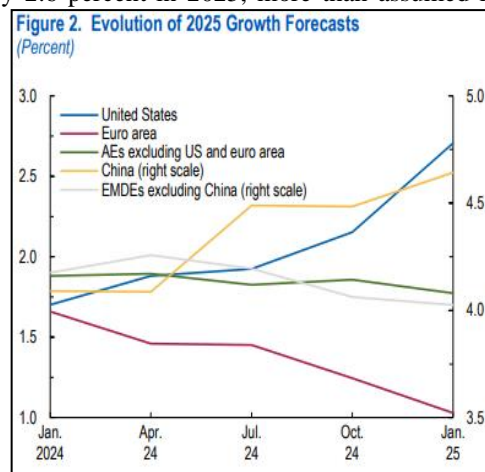
Economic policy uncertainty has increased sharply, especially on the trade and fiscal fronts, with some differentiation across countries (Figure 1). Expectations of policy shifts under newly elected governments in 2024 have shaped financial market pricing in recent months. Bouts of political instability in some Asian and European countries have rattled markets and injected additional uncertainty regarding stalled progress on fiscal and structural policies. Geopolitical tensions, including those in the Middle East, and global trade frictions remain elevated.

#### The Outlook

IMF staff projections assume current policies in place at the time of publication. They incorporate recent market developments and the impact of heightened trade policy uncertainty, which is assumed to be temporary, with the effects



unwinding after about a year, but refrain from making any assumptions about potential policy changes that are currently under public debate. Energy commodity prices are expected to decline by 2.6 percent in 2025, more than assumed in October. This reflects a decline in oil prices driven by weak Chinese demand and strong supply from countries outside of OPEC+ (Organization of the Petroleum Exporting Countries plus selected nonmember countries, including Russia), partly offset by increases in gas prices as a result of colder-than-expected weather and supply disruptions, including the ongoing conflict in the Middle East and outages in gas fields. Nonfuel commodity prices are expected to increase by 2.5 percent in 2025, on account of upward revisions to food and beverage prices relative to the October 2024 WEO, driven by bad weather affecting large producers. Monetary policy rates of major central banks are expected to continue to decline, though at different paces, reflecting variations in growth and inflation outlooks. The fiscal policy stance is expected to tighten during 2025–26 in advanced economies including the United States and, to a lesser extent, in emerging market and developing economies.



Global growth is expected to remain stable, albeit lackluster. At 3.3 percent in both 2025 and 2026, the forecasts for growth are below the historical (2000–19) average of 3.7 percent and broadly unchanged from October (Table 1; see also Annex Table 1). The overall picture, however, hides divergent paths across economies and a precarious global growth profile (Figure 2).

Among advanced economies, growth forecast revisions go in different directions. In the United States, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance, and supportive financial conditions. Growth is projected to be at 2.7 percent in 2025. This is 0.5 percentage point higher than the October forecast, in part reflecting carryover from 2024 as well as robust labor markets and accelerating investment, among other signs of strength. Growth is expected to taper to potential in 2026.

In the euro area, growth is expected to pick up but at a more gradual pace than anticipated in October, with geopolitical tensions continuing to weigh on sentiment. Weaker-than-expected momentum at the end of 2024, especially in manufacturing, and heightened political and policy uncertainty explain a downward revision of 0.2 percentage point to 1.0 percent in 2025. In 2026, growth is set to rise to 1.4 percent, helped by stronger domestic demand, as financial conditions loosen, confidence improves, and uncertainty recedes somewhat.

In other advanced economies, two offsetting forces keep growth forecasts relatively stable. On the one hand, recovering real incomes are expected to support the cyclical recovery in consumption. On the other hand, trade headwinds—including the sharp uptick in trade policy uncertainty—are expected to keep investment subdued.

In emerging market and developing economies, growth performance in 2025 and 2026 is expected to broadly match that in 2024. With respect to the projection in October, growth in 2025 for China is marginally revised upward by 0.1 percentage point to 4.6 percent. This revision reflects carryover from 2024 and the fiscal package announced in November largely offsetting the negative effect on investment from heightened trade policy uncertainty and property market drag. In 2026, growth is projected mostly to remain stable at 4.5 percent, as the effects of trade policy uncertainty dissipate and the retirement age increase slows down the decline in the labor supply. In India, growth is projected to be solid at 6.5 percent in 2025 and 2026, as projected in October and in line with potential.

In the Middle East and Central Asia, growth is projected to pick up, but less than expected in October. This mainly reflects a 1.3 percentage point downward revision to 2025 growth in Saudi Arabia, mostly driven by the extension of OPEC+ production cuts. In Latin America and the Caribbean, overall growth is projected to accelerate slightly in 2025 to 2.5 percent, despite an expected slowdown in the largest economies of the region. Growth in sub-Saharan Africa is expected to pick up in 2025, while it is forecast to slow down in emerging and developing Europe.

World trade volume estimates are revised downward slightly for 2025 and 2026. The revision owes to the sharp increase in trade policy uncertainty, which is likely to hurt investment disproportionately among trade-intensive firms. That said, in the baseline, the impact of heightened uncertainty is expected to be transitory. Furthermore, the front-loading of some trade flows in view of elevated trade policy uncertainty, and in anticipation of tighter trade restrictions, provides some offset in the near term.

Progress on disinflation is expected to continue. Deviations from the October 2024 WEO forecasts are minimal. The gradual cooling of labor markets is expected to keep demand pressures at bay. Combined with the expected decline in energy prices, headline inflation is projected to continue its descent toward central bank targets. That said, inflation is projected to be close

to, but above, the 2 percent target in 2025 in the United States, whereas inflationary dynamics are expected to be more subdued in the euro area. Low inflation is projected to persist in China. Consequently, the gap between anticipated policy rates in the United States and other countries becomes wider.

## Risks to the Outlook

In the medium term, the balance of risks to the outlook is tilted to the downside, with global growth poised to be lower than its 2025–26 average and five-year-ahead forecasts at about 3 percent. Near-term risks, in contrast, could reinforce divergences across countries: they are tilted to the upside in the United States, whereas downside risks prevail in most other economies amid elevated policy uncertainty and headwinds from ongoing adjustments (in particular, energy in Europe and real estate in China).

An intensification of protectionist policies, for instance, in the form of a new wave of tariffs, could exacerbate trade tensions, lower investment, reduce market efficiency, distort trade flows, and again disrupt supply chains. Growth could suffer in both the near and medium term, but at varying degrees across economies.

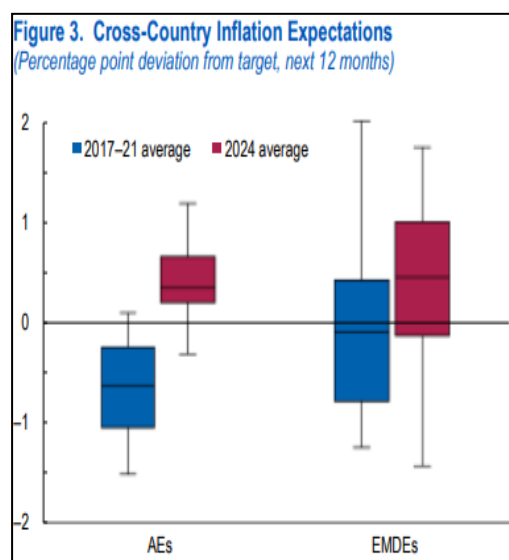
Looser fiscal policy in the United States, driven by new expansionary measures such as tax cuts, could boost economic activity in the near term, with small positive spillovers onto global growth. Yet in the longer run, this may require a larger fiscal policy adjustment that could become disruptive to markets and the economy, by potentially weakening the role of US Treasuries as the global safe asset, among other things. Furthermore, higher borrowing to fund looser fiscal policy could increase demand for capital globally, leading to an increase in interest rates and possibly depressing economic activity elsewhere.

Confidence and positive sentiment in the United States, partly driven by deregulation, could boost both the demand and the supply side of the economy. While relaxation of unduly tight regulations and reduced red tape for businesses may spur near-term US growth through higher investment, dollar appreciation could fuel risks of capital outflows from emerging market and developing economies and drive risk premiums upward. Moreover, an excessive rollback of regulations designed to put limits on risk-taking and debt accumulation may generate boom-bust dynamics for the United States in the longer term, with repercussions for the rest of the world. Downside risks to macro-financial stability may be amplified if compounded by a weaker fiscal outlook or stalled progress on structural reforms. Other supply-side shocks, such as labor force disruptions driven by reductions in migration flows to the United States, may permanently reduce potential output and raise inflation during the adjustment period.

A near-term boost for the US economy emanating from these factors would further underscore the divergent growth patterns across economies. If the adverse effects of tariffs and reduction in the labor force dominate, global activity as well as activity in the United States might be affected negatively in the medium term. Uncertainties are high: the effects of each factor would unfold differently across countries, influenced by trade and financial linkages; policy responses to actions taken by other countries could play out in a variety of ways, including an escalation of retaliatory tariffs; and the impacts of different policy combinations or different magnitudes of policy changes could be quite different.

Inflation dynamics could be shaped in opposite directions by these factors. The magnitude of the inflationary effect from tariffs is especially uncertain. While recent empirical studies find high pass-through to import prices, estimates of pass-through to consumer prices are lower and subject to significant uncertainty. Nevertheless, compared with what took place in earlier episodes of trade disputes, several factors suggest that upside risks to inflation from tariff hikes could be higher this time. First, the global economy is coming out of the most significant inflation surge in recent memory. Inflation expectations, especially in many advanced economies, are farther above the central bank target today than in 2017–21 (Figure 3). Second, the cyclical positions of many major economies are more conducive to higher inflation today than in 2016. Third, retaliation in the form of restrictions on specific, difficult-to-substitute materials or intermediate goods may have an outsized impact on aggregate inflation.

The risk of renewed inflationary pressures could prompt central banks to raise policy rates and intensify monetary policy divergence. Higher-for-even-longer interest rates could worsen fiscal, financial, and external risks. A stronger US dollar, arising from interest rate differentials and tariffs, among other factors, could alter capital flow patterns and global imbalances and complicate macroeconomic trade-offs.



In addition to risks from economic policy shifts, geopolitical tensions could intensify, leading to renewed spikes in commodity prices. The conflicts in the Middle East and Ukraine could worsen, directly affecting trade routes as well as food and energy prices. Commodity-importing countries may be particularly affected, with the stagflation impact of higher commodity prices compounded by an appreciating dollar.

On the upside, global economic activity may enjoy a bounce if incoming governments can renegotiate existing trade agreements and forge new deals. This could relieve uncertainty faster and be much less disruptive to growth and inflation. By boosting confidence, such cooperative outcomes could even support investment and medium-term growth prospects.

Momentum on other policy fronts could also lift growth. Many countries may embrace structural reforms to prevent divergence from their better-performing peers from becoming entrenched. Efforts to increase labor supply, reduce misallocation, enhance competition, and support innovation could raise medium-term growth.

### **Policy Priorities**

Against the backdrop of elevated uncertainty, policies need to rein in short-term risks and rebuild buffers while pushing ahead efforts to lift medium-term growth prospects.

Monetary policy should ensure that price stability is restored while supporting activity and employment. In economies in which inflationary pressures are proving persistent and the risk of upside surprises is on the rise, a restrictive stance will need to be maintained until evidence is clearer that the underlying inflation is sustainably returning to target. In economies in which activity is cooling fast and inflation is on track to durably go back to target, a less restrictive stance is justified.

In either case, fiscal policy should consolidate to put public debt on a sustainable path and restore the space needed for more agile responses. The consolidation path needs to be carefully calibrated to the conditions a particular economy is facing. It should be sizable yet gradual to avoid hurting economic activity, clearly communicated to avoid disruptions in debt markets, and credible to achieve long-lasting results. Adopting a growth-friendly approach and mitigating the adverse impacts on poor individuals could help preserve the economy's potential and maintain public support.

The divergent paths of monetary policy across countries could generate significant movements in exchange rates and capital flows. As laid out in the IMF's Integrated Policy Framework, adjusting policy rates and allowing exchange rate flexibility are advisable for countries with deep foreign exchange markets and low levels of foreign-currency debt. For those with shallow foreign exchange markets and substantial amounts of foreign-currency debt, temporary foreign exchange interventions (provided that foreign reserves are adequate and used prudently), capital flow management measures, macroprudential policies, or some combination of the three could, in some cases, accompany appropriately set monetary and fiscal policies to preserve macrofinancial stability

Beyond the near term, decisive policy action is needed to enhance economic dynamism, boost the supply side, and counter the rising risks to the already-dim medium-term growth prospects. Targeted reforms in labor markets, competition, health care, education, and digitalization can revive productivity growth and attract capital. Active communication to build consensus and continuous engagement with key stakeholders could help policymakers design and effectively implement measures that consider the distributional impact of reform.

Last but not least, multilateral cooperation is vital in containing fragmentation, sustaining growth and stability, and addressing global challenges. Trade policies should be consistent with the legal framework of the World Trade Organization (WTO), as well as being clear and transparent, to reduce uncertainty, lower volatility in markets, and mitigate distortions. Priorities should be given to restoring a fully and well-functioning WTO dispute settlement system, leveling the playing field, and achieving clarity and coherence of the desire among countries for greater resilience within the rules-based multilateral trading system.

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(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025> )

## **INDIAN ECONOMY OVERVIEW**



## Introduction

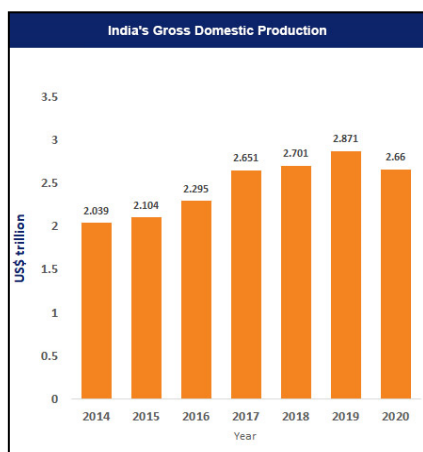
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices for Q1 2024-25 is estimated at Rs. 77.31 lakh crores (US\$ 928.9 billion) with growth rate of 9.7%, compared to the growth of 8.5% for Q1 2023-24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-September 2025, India's exports stood at US\$ 211.46 billion, with Engineering Goods (26.57%), Petroleum Products (16.51%) and electronic goods (7.39%) being the top three exported commodity. Rising employment and 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. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. 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.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## Market Size



Real GDP or GDP at Constant (2011-12) Prices for the period Q1 2024-25 is estimated at Rs. 43.64 lakh crore (US\$ 524 billion), against the First Revised Estimates (FRE) of GDP for the year Q1 2023-24 of Rs. 40.91 lakh crore (US\$ 491 billion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 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 same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 9.7 billion for the Q1 2024-25 from US\$ 8.9 billion in Q1 2023-24 or 1.1% of GDP. This was largely due to decrease in merchandise trade deficit.

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 Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, 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.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of October 11, 2024, India's foreign exchange reserves stood at US\$ 690.43 billion.
- In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- In September 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.73 lakh crore (US\$ 20.83 billion).
- Between April 2000–June 2024, cumulative FDI equity inflows to India stood at US\$ 1,013.45 billion.
- In August 2024, the overall IIP (Index of Industrial Production) stood at 145.6. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 125.1, 147.1 and 219.3, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.49% (Provisional) for September 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

### **Government Initiatives**

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

- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.

- On October 7, 2022, the Department for Promotion of Industry, and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to



attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.

- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Aatmanirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.

- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## Road Ahead



In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th 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 2023-24, stood 37.4% higher than the same period last year. In the budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure outlay by 17.1 % to Rs.11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 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>)

## GLOBAL MANUFACTURING INDUSTRY

### Geopolitical driving forces

Political stability and international cooperation can create a favourable environment for manufacturing sector growth, with trade agreements, infrastructure investments, and government incentives stimulating industrial expansion and technological advancement. Geopolitical collaborations, such as those aimed at climate action, can drive the adoption of sustainable practices, opening up new global markets and reducing operational risks through international standards. However, geopolitical tensions and protectionist policies can disrupt supply chains, increase costs, and create uncertainty for all manufacturers. Trade wars, sanctions, and political instability in key regions can lead to supply shortages and higher tariffs, making it difficult for manufacturers to plan and invest. Additionally, shifting regulatory landscapes across different countries can create compliance challenges, requiring manufacturers to constantly adapt to new legal requirements and standards.

### Economic driving forces

A robust global economy supports growth in manufacturing industries through increased demand, investment in new technologies, and expanding production capacity. Economic development in emerging markets can open new avenues for investment and create larger consumer bases for manufactured goods. Access to capital markets and favourable interest rates also facilitate expansion and innovation. However, economic downturns, inflation, and fluctuating currency exchange rates can negatively impact manufacturing. Recessions can decrease demand, forcing manufacturing companies to

downsize or delay investments. Rising material and labour costs and global supply chain disruptions can squeeze profit margins and make it difficult for manufacturers to remain competitive. Economic inequality can also impact consumer spending patterns, affecting demand for specific products.

### **Social driving forces**

Social trends, such as the growing demand for masscustomised or personalised products and the emphasis on their sustainability, can drive innovation and open up new market opportunities in manufacturing industries. Consumer preferences for ethically produced goods can lead to higher sales for manufacturing companies prioritising social responsibility. Additionally, focusing on diversity and inclusion in the workforce can lead to more creative problem-solving and improved corporate culture, enhancing productivity and employee satisfaction. On the other hand, changing social expectations can pose challenges for manufacturers. The increasing emphasis on corporate social responsibility (CSR) requires manufacturers to invest in ethical practices, which can be costly and complex. Additionally, shifts in consumer behaviours, like the move towards minimalism or digital consumption, can reduce demand for physical products. Labour shortages, driven by demographic shifts or evolving career preferences, can also create challenges in finding and retaining skilled workers.

### **Technological driving forces**

Technological advancements, such as artificial intelligence (AI), robotics, and the Industrial Internet of Things (IIoT), are revolutionising many manufacturing industries by enhancing efficiency, reducing costs, and enabling new product innovations. These advanced technologies allow for more precise and flexible production processes, better quality control, and the ability to respond to market changes rapidly. The continued development of the Industry 4.0 paradigm will enable manufacturers to create brighter, more connected factories that can optimise production resources and reduce waste. However, the rapid pace of technological change also presents significant challenges. Adopting new technologies can be prohibitive, particularly for smaller manufacturing companies. Cybersecurity threats are also a considerable concern, as more connected systems create new vulnerabilities. Also, the reliance on complex technologies can lead to operational disruptions if systems fail or there is a need for more skilled workers to manage and maintain them. The digital divide between manufacturing regions and companies could exacerbate inequalities within the sector.

### **Legal driving forces**

Clear and consistent legal frameworks can provide stability and predictability for manufacturers, enabling them to plan and invest confidently. Regulations that promote fair competition, protection of intellectual property, and ensure safety and environmental standards can create a level playing field and encourage innovation. Government incentives for sustainable practices and technological innovation can drive industry growth and modernisation. Yet increasingly complex and varied legal requirements across different jurisdictions can create significant challenges for global manufacturers. Compliance with environmental, safety, and labour regulations can increase operational costs and complexity. Frequent regulation changes, particularly in data protection or environmental standards, can lead to uncertainty and require costly adjustments. Non-compliance risks, including fines and reputational damage, are also significant concerns for manufacturers operating in multiple legal environments.

### **Environmental driving forces**

Environmental forces, like the growing focus on sustainability, are driving significant innovation in the manufacturing sector. Hence, manufacturing companies that adopt eco-friendly practices can benefit from enhanced brand reputation, access to new markets, and compliance with regulatory requirements. The shift towards renewable energy and resource-efficient processes can also lead to long-term cost savings and resilience against resource scarcity. However, environmental challenges also pose significant risks. Climate change can disrupt supply chains, damage infrastructure, and create uncertainty in resource availability. Complying with increasingly stringent environmental regulations can require substantial investment in new sustainable (green) technologies and processes, which may strain resources, particularly for smaller manufacturers. Additionally, pressures to reduce environmental impact can conflict with traditional business and operating models focused on growth and profitability, requiring manufacturing companies to rethink their strategies and make difficult trade-offs.

### **Tipping points**

A tipping point, in the manufacturing context, is defined as a point in time, a moment of critical mass when one or more radical changes or shifts take place in a manufacturing intra- or inter-ecosystem or part of it, so this becomes self-perpetuating beyond its threshold, leading to substantial, widespread, frequently abrupt, and often irreversible impacts to itself and surrounding environment, being these effects of a positive or negative nature.<sup>2</sup> More specifically, such disrupting shifts, caused by a tipping point, in a manufacturing intra- or inter-ecosystem can trigger non-linear change processes driven

by one or more system-internal feedback mechanisms. These processes inevitably lead to qualitative differences, positive or negative, in the system's state, which are often irreversible.<sup>3</sup> A positive manufacturing tipping point is a critical threshold where geopolitical, economic, social, technological, legal and/or environmental forces trigger significant changes for good in manufacturing and supply chain practices, self-reinforcing progress towards more sustainable and equitable manufacturing ecosystems. These tipping points can lead to rapid and widespread transformations of the manufacturing industries, like digital and green transitions, driving systemic shifts towards sustainable industrial development. Hence, positive tipping points are crucial for accelerating the evolution of new sustainable manufacturing businesses and operating models. This can help overcome the inertia to keep or delay the status quo and address the grand manufacturing challenges many industries must soon face.<sup>4</sup> Conversely, a negative manufacturing tipping point is a predominant detrimental event or momentum in time where geopolitical, economic, social, technological, legal, and/or environmental forces trigger negative shifts or cause damaging impacts to positive manufacturing and supply chain practices. These forces switch manufacturing ecosystems into an undesired system state, causing degradation to their performance and surrounding environment. These undesired tipping points can quickly lead to cascading adverse events that ultimately destabilise and threaten the global manufacturing sector's economic, environmental, and social sustainability.

### **Geopolitical tipping points**

In the global manufacturing context, a geopolitical tipping point is a critical juncture in international trade relations or global political relations that has the potential to significantly alter, positively or negatively, the structure, functioning, or stability of worldwide manufacturing and supply networks. These tipping points can lead to significant changes, for better or worse, in how and where goods are produced, sourced, and traded, causing reconfigurations in global supply chains and manufacturing hubs and impacts in their markets, shifting the global manufacturing dynamics. Positive geopolitical tipping points refer to significant events or developments that reshape the global manufacturing landscape, leading to favourable happenings. These events, such as the signature of international trade agreements or regional economic integration efforts, enable positive outcomes for the manufacturing sector, for example, enhanced economic growth for industries, development of emerging markets, increased international trade cooperation, manufacturing (and logistics) innovation, and resilience in global supply chains. These positive tipping points aim for a more stable and diversified global economy with economic development opportunities for all markets, from emerging to developed, increased international trade, and advanced sustainable manufacturing and supply chain practices. Alternatively, negative geopolitical tipping points are critical incidents that disrupt the global manufacturing landscape. These adverse events include trade wars, protectionism, export restrictions, and regulatory fragmentation, to mention a few that disturb or even interrupt international trade and global supply chain operations. Their cascading effects can negatively impact the global manufacturing sector, for instance, starting with increased production costs and reduced international trade efficiency, followed by shortages of raw materials and closure of supply routes, up to the extreme need to relocate production facilities.

### **Economic tipping points**

In the global manufacturing landscape, an economic tipping point refers to a critical threshold where a significant, positive or negative change or shift occurs in the economic conditions that determine a market's manufacturing and consumption patterns. These tipping points can lead to new business and operating models, emerging industrial leaders, evolving market dynamics, or fresh sources of competitive advantage after the economic alterations have passed, with some being winners or losers because of these economic changes. Consequently, positive economic tipping points refer to critical moments where a favourable transformative change occurs in the economy, leading to widespread benefits for the manufacturing sector and society. Examples of these moments include the achievement of economies of scale in novel manufacturing paradigms such as green manufacturing, lowering the marginal costs of production of green products, and leading to increased investment, job creation, and sustainable economic growth in green industries, or shifts to new economic models like the circular economy that can reduce the need for virgin raw materials and minimise waste, lowering overall production costs and creating new revenue streams from repairs, refurbishment, remanufacturing, and recycling activities. Overall, these positive tipping points enhance productivity, reduce production costs, and create new growth opportunities for manufacturers. Conversely, negative economic tipping points imply critical events where economic changes adversely affect manufacturing industries and their markets. Some instances that could cause a negative economic tipping point are trade wars, labour shortages, resource scarcity, and financial crises. These types of tipping points, first of all, can be connected to other kinds of tipping points, such as geopolitical and social ones and can have profound effects leading to reduced economic growth, a slowdown in global trade, higher unemployment rates, the rise of production resource prices, and delays in investments.

### **Social tipping points**

In worldwide manufacturing, a social tipping point means a profound, positive or negative moment when cumulative social pressures or societal factors like labour movements, or even sometimes new labour regulations, reach a point that causes a significant change or shift, for better or worse, in manufacturing practices related to labour standards and working conditions. In their positive type, these tipping points advocate for more socially responsible manufacturing industries

offering fair wages, safe and healthy working conditions, respectful treatment of all employees, and engagement with the local communities that surround them to nurture positive relationships. On the one hand, positive social tipping points describe a severe moment when societal pressures create beneficial changes for the workforce, ensuring notable improvements in workers' quality of personal and professional life. These joyous moments include adopting fair labour standards, including health and safety, strengthening workers' rights and unions, investing in workers' training and development, promoting gender equality and diversity, creating more inclusive workplaces, and improving worklife balance initiatives. By focusing on making these positive moments happen, manufacturing industries can create more supportive work environments and engage their workforces in their jobs, leading to increased productivity. On the other hand, negative social tipping points relate to a critical time when societal pressures, sometimes combined with economic and technological pressures (tipping points), lead to harmful or destabilising shifts in the labour market and working conditions, severely affecting workers' employment rates, wages, safety standards, and overall physical and mental wellbeing. Patterns of these negative tipping points include discrimination and inequality in labour practices, evasion of safety and occupational health regulations, labour exploitation, and even unjustified job displacements due to automation and robotics. Addressing these social issues will require a strong focus on labour rights, protections, and equitable practices to ensure that workers are not left behind as industries evolve or are pressured.

### **Technological tipping points**

In international manufacturing, a technological tipping point indicates a point in time when a specific technology or set of technologies reaches or fails to reach a level of maturity, affordability, and adoption that causes a dramatic shift in global manufacturing and supply chain practices, like the case of the new Industry 4.0 technologies that have given birth to the digital and smart manufacturing paradigms, or the case of the artificial intelligence winters when this technology has stagnated before reaching its plateau of productivity. These shifts include widespread changes in how products are designed, engineered, manufactured, and delivered and how processes are executed and controlled. Moreover, reaching a technological tipping point often triggers other changes (or tipping points), including shifts in competitive dynamics, business and operating models, nature of work, and supply chain configurations. Accordingly, positive technological tipping points denote a moment when a new technology or set of technologies leads to significant improvements in products and production efficiency, quality, and sustainability. These tipping points can create economic, environmental, and social benefits for manufacturers. Examples include additive manufacturing (also known as '3D printing') technologies that have allowed for rapid prototyping, customisation, and on-demand (low- and mid-volume) production with beneficial triple-bottom-line outcomes by reducing material waste, energy consumption, and environmental impact (footprint) in contrast to subtractive manufacturing processes, offering more design freedom, hence, leveraging human creativity, and opening up new possibilities for novel production and supply chain models such as distributed manufacturing; advanced (collaborative) robotics and (smart) automation technologies that have improved production precision and speed, offering higher productivity levels and better quality controls, and removed workers from dull, dirty, and dangerous tasks in manufacturing processes; or digital-twin technologies (including their set of related technologies such as the Industrial Internet of Things (IIoT) and machine learning) that have led to significant improvements in manufacturing efficiency thanks to their real-time process monitoring, analysis, and optimisation. Conversely, negative technological tipping points can occur when a new technology or set of technologies recognise that they have failed to deliver their promised value and, therefore, the possibility of return on investment or when their delivered benefits are outweighed by their utilisation risks. For instance, cybersecurity threats if proper cybersecurity frameworks are not implemented before connecting any IIoT device, equipment, or system to the enterprise industrial network. Furthermore, it is also possible to consider other hybrid negative sociotechnological tipping points like an overreliance on automation or lack of digital skills in the workforce that have led to big failures in adopting new technologies with significant setbacks in the digital transformation journey of a manufacturer. Thus, careful consideration and management of technological changes are advised to mitigate their negative tipping points.

### **Legal tipping points**

Within a global manufacturing environment, a legal tipping point refers to a critical moment when an international (or national) regulation, law, policy, standard, or agreement changes, for better or worse, with significant, positive or negative impacts on the way manufacturing industries operate and conduct their businesses. Consequently, these tipping points drive substantial changes in industry practices (including trade), investment decisions, and competitive dynamics. Moreover, legal tipping points are sometimes related to one or more of the already mentioned or to-be-mentioned tipping points. In critical times, positive legal tipping points convey new legal or regulatory developments that drive significant beneficial changes for the manufacturing sector, customers, and society. These changes can incentivise sustainability and innovation with regulations promoting, for instance, the green manufacturing paradigm or the digital and smart manufacturing paradigms, or trade liberalisation through free trade agreements and the harmonisation of international industry standards, including labour rights and intellectual property (IP) protection, that can enhance global supply chain efficiency, allowing manufacturers to compete more effectively, to some extent, in the worldwide marketplace. Then, negative legal tipping points can occur when overly cautious legal frameworks overregulate, for example, emerging technologies such as artificial

intelligence or inadequate enforcement of environmental, trade, IP, or labour regulations, leading to a loss of competitiveness for everyone.

### Environmental tipping points

In the ecosphere of manufacturing, an environmental tipping point defines a critical threshold, positive or negative, beyond which the ecological impacts of manufacturing processes, including their supply chains, become irreversibly damaging for the planet or may start allowing for its recovery for good. The environmental tipping points are the most well-known type addressed in this Report but have negative connotations, with the climate change crisis being the most representative. Nevertheless, their positive and negative inferences are explored to address mitigation and regeneration actions needed to save our planet, such as the green manufacturing paradigm or the emerging circular and regenerative manufacturing paradigms. As a result, positive environmental tipping points refer to pivotal changes or shifts in manufacturing and supply chain practices where at least net-zero, but hopefully netpositive, operations are achieved, stopping the detrimental impact of the sector and its industries on our planet and starting its regeneration with the help of the widespread adoption of green technologies, circular business models, sustainable materials, and carbon-neutral manufacturing processes in a first instance, immediately followed by the vision of the so-called regenerative manufacturing systems that aim to put more back into society and the environment than they take out, to compensate for the harm of past industrial systems. Lastly, negative environmental tipping points highlight the critical thresholds beyond which the environmental impacts of manufacturing and supply chain operations become so severe that they cause irreversible damage to the ecosphere of the sector and society and whose cascading adverse effects are so complex, if not impossible, to reverse. Infamous examples it is hoped will be avoided are climate catastrophe, critical resource exhaustion (like rare earth materials, fundamental for technology development), pollution overload, and waste management failure. Avoiding these negative environmental tipping points is crucial for ensuring the long-term ecological sustainability of the global manufacturing sector.

(Source: [https://worldmanufacturing.org/wp-content/uploads/14/6-WM-REPORT\\_2024\\_LD\\_E-Book\\_b\\_Final.pdf](https://worldmanufacturing.org/wp-content/uploads/14/6-WM-REPORT_2024_LD_E-Book_b_Final.pdf))

## INDIAN MANUFACTURING INDUSTRY

### Introduction

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.



Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India's manufacturing sector reached a 16-year high in March, with the HSBC Manufacturing Purchasing Managers' Index (PMI) rising to 59.1, driven by strong increases in output, new orders, and job creation across various goods sectors.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.



Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

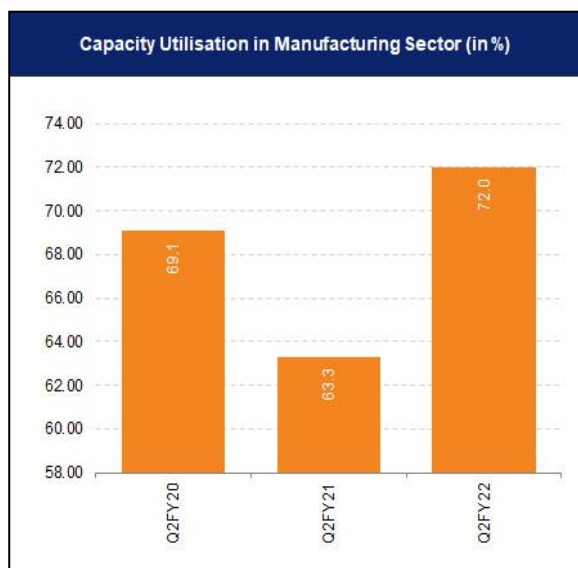
India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

FDI in India's manufacturing sector has reached US\$ 165.1 billion, a 69% increase over the past decade, driven by production-linked incentive (PLI) schemes. In the last five years, total FDI inflows amounted to US\$ 383.5 billion.

India is planning to offer incentives of up to Rs. 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

India's mobile phone manufacturing industry anticipates creating 150,000 to 250,000 direct and indirect jobs within the next 12-16 months, driven by government incentives, and increased global demand. Major players like Apple and its contract manufacturers, along with Dixon Technologies, are expanding their workforce to meet growing production needs.

## Market Size



Manufacturing exports have registered their highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's Gross Value Added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24.

India's e-commerce exports are projected to grow from US\$ 1 billion to US\$ 400 billion annually by 2030, aiding in achieving US\$ 2 trillion in total exports.

India's smartphone exports exceeded US\$ 2 billion in October 2024, setting a new monthly record and contributing to total exports surpassing US\$ 10.6 billion in the first seven months of FY25, a 37% increase from the previous year.

India's smartphone exports surged by 42% in FY24, reaching US\$ 15.6 billion, with the US as the top destination, reflecting the success of the Production-Linked Incentive (PLI) scheme in boosting the sector.

As per the survey conducted by Reserve Bank of India, capacity utilisation in India's manufacturing sector stood at 76.8% in the third quarter of FY24, indicating a significant recovery in the sector.

India's GDP surged by 8.4% in the October-December quarter, surpassing expectations.

GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

India's overall exports during the April-June period of 2024-25 are estimated to be US\$ 109.11 billion, reflecting a positive growth of 7% over the April-June period of 2023-24.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025-26.

The Indian startup ecosystem experienced a significant rebound, securing approximately US\$ 596 million in funding this week, marking a 226% increase compared to the previous week. This surge was driven by 23 startups, including notable deals such as Zepto raising US\$ 350 million and HealthKart securing US\$ 153 million. The average funding over the past

eight weeks has been around US\$ 266.77 million per week, with a total of nearly US\$ 10 billion raised by Indian startups so far this year, indicating a strong trajectory toward surpassing last year's total funding of US\$ 10.5 billion.

India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

## **Investment**

Some of the major investments and developments in this sector in the recent past are:

- Shree Cement has signed a Memorandum of Understanding (MoU) with the Department for Promotion of Industry and Internal Trade (DPIIT) to support manufacturing sector startups by providing infrastructure, mentorship, funding access, and market connections, aiming to enhance India's manufacturing ecosystem and promote self-reliance through domestic innovation.
- India's defence exports soared by 78% in Q1 FY25, reaching Rs. 6,915 crore (US\$ 828 million). This growth reflects the country's push for self-reliance in defence manufacturing, with total exports hitting a record Rs. 20,915 crore ( US\$ 2.51 billion) in FY24, marking a 25% increase from the previous year.
- Sansera Engineering Limited has signed an MoU with the Karnataka government to invest Rs. 2,100 crore (US\$ 251 million) in a new manufacturing facility in Ramanagara, aiming to create 3,500 jobs and enhance production capacity in the automotive and non-automotive sectors over the next three to five years.
- Google is set to begin manufacturing Pixel smartphones in India, specifically in Tamil Nadu, in collaboration with Foxconn and Dixon Technologies. This production aims to cater primarily to export markets in Europe and the US, with operations expected to start in September 2024. The initiative comes as Google prepares to launch its Pixel 9 series in India on August 13, leveraging India's Production-Linked Incentive (PLI) scheme to enhance manufacturing scalability.
- Maruti Suzuki has begun exporting the Made-in-India Fronx compact SUV to Japan, marking its first SUV launch in the Japanese market. Manufactured at its Gujarat plant, the first shipment of over 1,600 vehicles has already left for Japan, with the official launch planned for autumn 2024.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2000-March 2024:
  - The automobile sector received FDI inflows of US\$ 36.26 billion.
  - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 22.14 billion.
  - The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 22.52 billion.
  - The Food Processing Industries received FDI inflows worth US\$ 12.58 billion.
- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- Mobile phone exports from India nearly doubled to reach US\$ 5.5 billion, by August in FY24, with the government anticipating mobile phone exports worth Rs. 1 trillion (US\$ 12 billion) this year.
- In February 2024, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.9.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- For the month of January 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 153.0. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 144.1, 150.1 and 197.1, respectively.
- The Index of Industrial Production (IIP) from April-January 2024 stood at 143.4.
- The combined index of eight core industries stood at 150.3 for April-November 2023 against 139.4 for April-November 2022.
- The cumulative index of eight core industries increased by 8.6% during April-October 2023-24 over the corresponding period of the previous year.
- India's manufacturing sector, driven by pharmaceuticals, motor vehicles, and cement, demonstrated resilience despite weak global demand in July-August 2023. PMI remained robust, reflecting domestic economic strength. Capacity utilization in manufacturing trended upwards, signalling positive investment prospects. RBI MPC maintained policy repo rate to control inflation.



- India aims for US\$ 100 billion annual foreign direct investment (FDI) in the coming years, according to Union Minister of Information and Broadcasting Mr. Ashwini Vaishnaw, as part of the government's strategy focused on infrastructure investment, social upliftment, manufacturing growth, and simplification of business processes, amidst projections of consistent 6-8% economic growth over the next decade.
- At the aggregate level, the capacity utilization (CU) in the manufacturing sector increased to 74.0% in Q2:2023-24 from 73.6% in the previous quarter.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US\$ 295.21 billion.
- In FY24, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 59.1.
- India's manufacturing industry witnessed its fastest expansion in 16 years in March, with the HSBC final India Manufacturing Purchasing Managers' Index (PMI) soaring to 59.1, the highest since February 2008. This surge was fuelled by increased demand, resulting in notable improvements in new orders, output, input stocks, and job creation, as reported by S&P Global.
- In May 2024, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 57.5.
- India's overall exports during the April-February period of 2023-24 are estimated to be US\$ 709.81 billion, reflecting a marginal positive growth of 0.83% over the April-February period of 2022-23. In February 2024 alone, exports stood at US\$ 73.55 billion, showing a growth of 14.20% compared to the same month in the previous year.
- The Employees' Provident Fund Organization (EPFO) added 8.41 lakh people in December 2023.
- The latest payroll data shows a significant increase in female workforce participation. Out of 8.41 lakh new members, around 2.09 lakh are female, the highest in three months. This marks a 7.57% increase from November 2023. Additionally, the net female member addition stood at approximately 2.90 lakh, up by about 3.54% from the previous month.
- Amazon Inc's cloud computing division, Amazon Web Services, became the latest company to invest in India. The company has planned to invest US\$13 billion (over Rs 1 lakh crore) in India by 2030 to build its cloud infrastructure and create thousands of jobs.
- For the month of April 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 147.7. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 130.8, 144.2, and 212.0, respectively.
- On February 29, 2024, India approved the construction of three semiconductor plants with investments exceeding \$15 billion. These plants aim to establish India as a major chip hub, with Tata Electronics, Tata Semiconductor Assembly and Test Pvt Ltd, and CG Power spearheading the projects in Gujarat and Assam. This initiative aligns with India's goal to bolster its semiconductor ecosystem and create numerous advanced technology jobs.
- In October 2021, information technology major Zoho, announced that it will invest Rs. 50–100 crore (US\$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
- India's GDP surged in the January-March quarter, growing 7.8%, exceeding the 6.7% forecast. Manufacturing rebounded by 9.9%, contrasting with last year's contraction. GDP for the fiscal year hit 8.2%. IMF projects India as the world's fourth-largest economy by 2025.
- India's gross value added (GVA) at current prices was estimated at US\$ 506.35 billion as per the quarterly estimates of the fourth quarter of FY24.
- In August 2021, Wistron Corp. collaborated with India's Optimus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.
- In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.
- Samsung Display Noida, which has invested Rs. 4,825 crore (US\$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.
- In April 2021, Bharti Enterprises Ltd., and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products.

## Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In the Interim Union Budget 2024-2025:
- In the interim budget 2024, the allocation for the Production Linked Incentive (PLI) Scheme for various sectors saw a substantial increase, with notable examples including a 360% rise to Rs 6,903 crore (US\$ 830 million) for the Semiconductors and Display Manufacturing Ecosystem and a 623% surge to Rs 3,500 crore (US\$ 421 million) for the Automobile sector.
- In the interim budget 2024, there was commendable fiscal responsibility demonstrated alongside significant investments in infrastructure, including emphasis on affordable housing, clean energy, and technological advancement.

Additionally, the budget allocated funds for the creation of a Rs 1-lakh crore (US\$ 12 billion) innovation fund for sunrise domains, providing a substantial boost for the startup industry. Moreover, there was a notable focus on promoting the shift to electric vehicles (EV) through the expansion of EV charging networks, thereby offering opportunities for small vendors in manufacturing and maintenance.

- In the Interim Union Budget 2024-25, the Ministry of Defence has been allocated Rs. 621,541 crore (US\$ 74.78 billion), marking a significant increase of approximately 4.72% from the previous allocation of Rs. 593,538 crore (US\$ 71.41 billion).
- On the 10th anniversary of the 'Make in India' initiative, Union Commerce and Industry Minister Mr. Piyush Goyal reported significant achievements, including an 85% reduction in mobile imports and a 200% increase in manufacturing jobs from 2022 to 2024. He emphasized that 99% of mobile phones in India are now produced domestically, reflecting the initiative's success in transforming India's manufacturing landscape and attracting substantial Foreign Direct Investment (FDI). He highlighted ongoing efforts to improve the ease of doing business and support the startup ecosystem, aiming to position India as a global manufacturing hub and a developed nation by 2047.
- Union Minister of Education and Skill Development & Entrepreneurship, Mr. Dharmendra Pradhan inaugurates Rashtriya Udyamita Vikas Pariyojana under Skill India Mission, empowering PM SVANidhi beneficiaries with comprehensive 22-week entrepreneurship training, including theoretical and practical components, in collaboration with Flipkart and focusing on 40% women participation.
- Semiconductor associations IESA and SEMI signed a Memorandum of Understanding (MoU) in Bengaluru to establish India as a global manufacturing hub, focusing on talent development, policies, design, skilling, research, academia, and supply chains, leveraging SEMI's international network and IESA's expertise.
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.
- In the Union Budget 2023-24:
- Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023, to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
- As per the Union Budget 2023 – 24, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
- The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).
- Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
- The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed biogas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
- To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
- Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 million in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement 'Buy {Indian-IDD (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016.
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.
- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.

- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- In the Union Budget 2022-23:
- Ministry of Defence was allocated Rs. 525,166 crore (US\$ 67.66 billion).
- The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, ends transport-related challenges.
- In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved Rs. 3 crore (US\$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
- In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US\$ 1.45 billion).
- India outlined a plan in August 2021 to reach its goal of US\$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US\$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US\$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US\$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.
- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes, and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

## Road Ahead



India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury, and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 3.4 trillion along with a population of 1.48 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation.

The corridors would further assist in integrating, monitoring, and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

(Source: <https://www.ibef.org/industry/manufacturing-sector-india> )

## GLOBAL JEWELLERY INDUSTRY

### Gold demand hits new record in 2024

#### Central banks and investors drive market strength

Total gold demand (including OTC investment) rose 1% y/y in Q4 to reach a new quarterly high and contribute to a record annual total of 4,974t.

Central banks continued to hoover up gold at an eye-watering pace: buying exceeded 1,000t for the third year in a row, accelerating sharply in Q4 to 333t.

Annual investment reached a four-year high of 1,180t (+25%). Gold ETFs had a sizable impact: 2024 marked the first year since 2020 in which holdings were essentially unchanged, in contrast to the heavy outflows of the prior three years.

Full-year bar and coin demand was in line with 2023 at 1,186t. The composition shifted as bar investment grew and coin buying reduced.

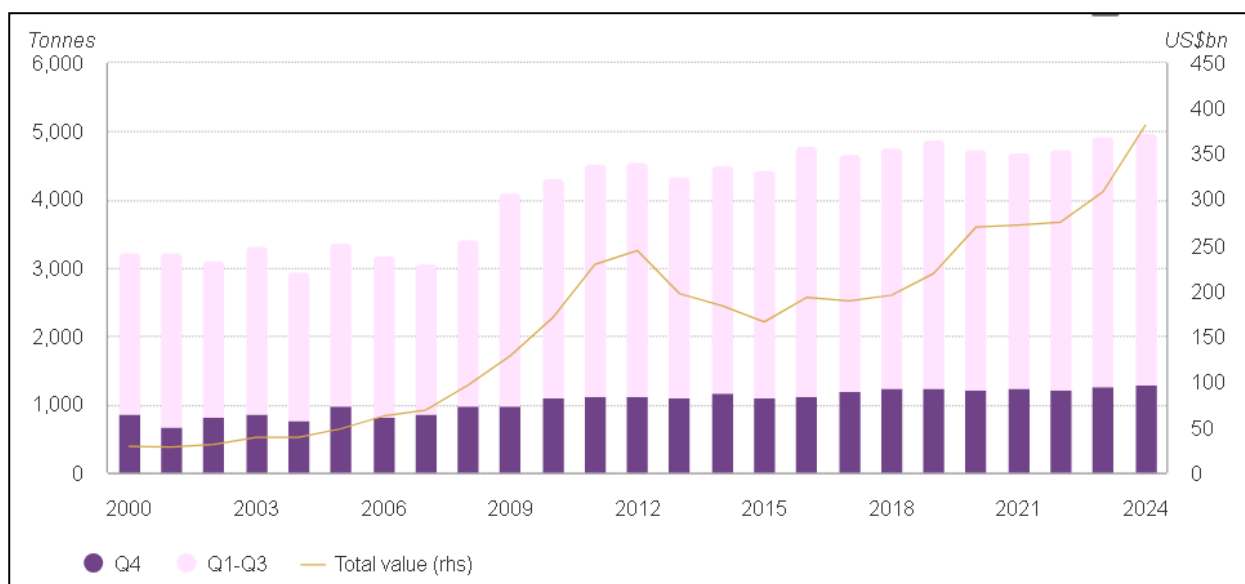
Annual technology demand was also additive to the global total: it grew by 21t (+7%) in 2024, largely driven by continued growth in AI adoption.

Gold jewellery was the clear outlier: annual consumption dropped 11% to 1,877t as consumers could only afford to buy in lower quantities. Nonetheless, spend on gold jewellery jumped 9% to US\$144bn.

#### Highlights

- The LBMA (PM) gold price reached 40 new record highs during 2024. The average Q4 price of US\$2,663/oz was also a record and yielded an annual average price of US\$2,386/oz (+23%).
- Demand in value terms reached previously unseen levels. The combination of record gold prices and volumes produced a Q4 value of US\$111bn. This took 2024 over the line to reach the highest-ever annual value of US\$382bn.
- Total gold supply inched up 1% y/y to 4,974t – a high for our data series. Growth in both mine production and recycling contributed to the increase in total supply of gold.
- A sharp slowdown in Q4 OTC investment led to a slight annual decline. Demand from high net worth investors remained healthy, but contrasted with profit-taking in some areas of OTC investment.
- 2025 full year outlook: central banks and ETF investors likely to drive demand with economic uncertainty supporting gold's role as a risk hedge, but on the flipside, keeping pressure on jewellery.

Chart 1: Gold demand at record levels for Q4 and full year  
Quarterly gold demand in volume, tonnes, and value, US\$bn\*



Sources: ICE Benchmark Administration, Metals Focus, World Gold Council;

Disclaimer \*Data to 31 December 2024.

(Source: <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2024>)

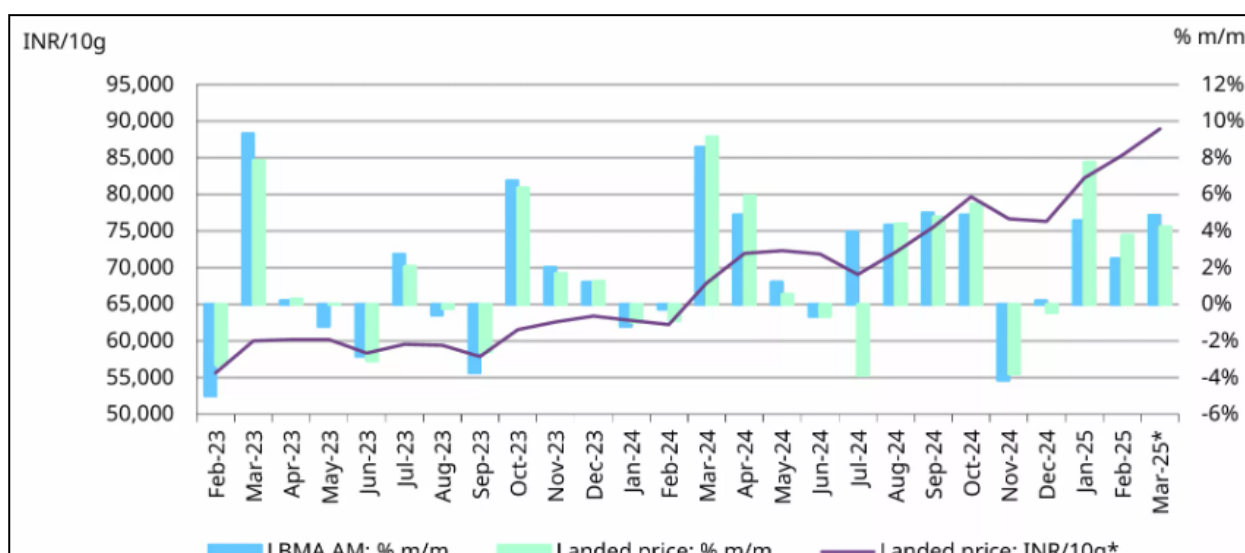
## INDIAN JEWELLERY INDUSTRY

### Gold's unprecedented momentum

Gold's momentum has been exceptionally strong in 2025. So far this year prices have hit 13 new highs<sup>1</sup> and have crossed the psychological threshold of US\$3,000/oz.<sup>2</sup> This performance, which has been replicated across major currencies, is driven by economic trends and sustained investment demand. Geopolitical and economic uncertainty, a weaker USD, lowering of interest rates across economies, and inflation concerns are fuelling investment demand and influencing prices.

### Chart 1: Gold's unyielding rise

Monthly LBMA Price AM and domestic landed price changes and movement\*

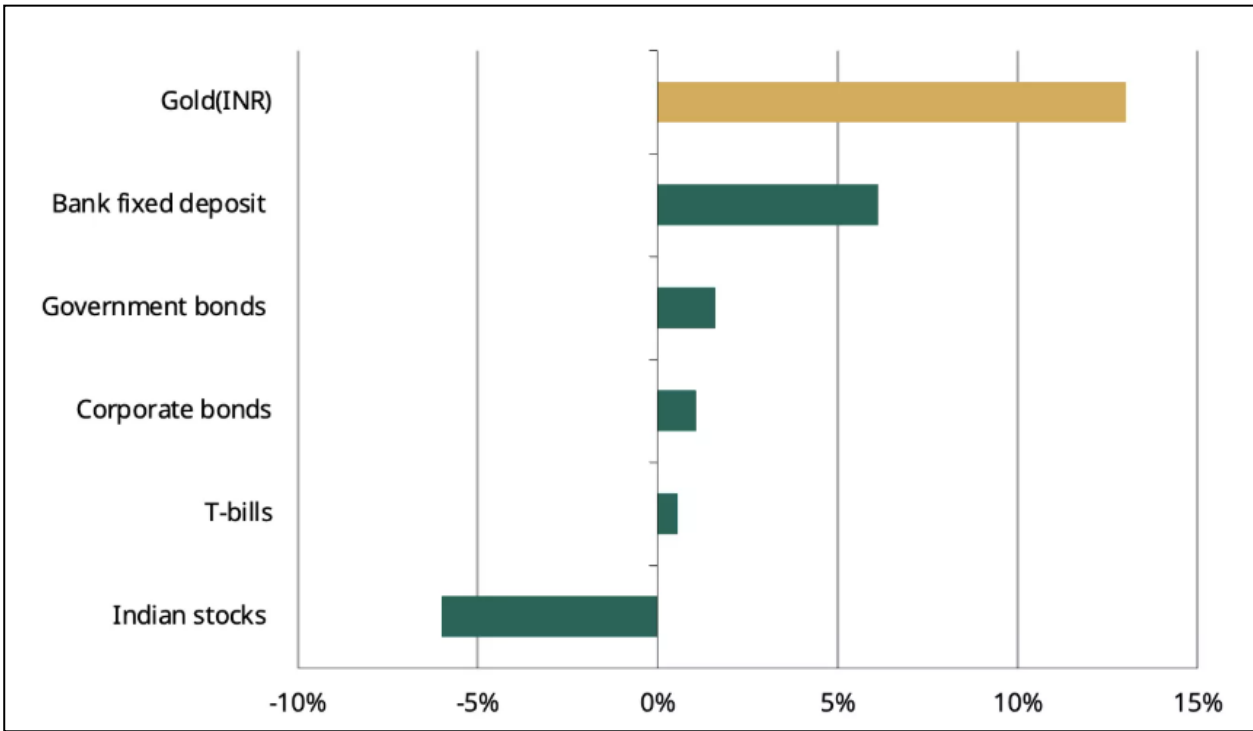


\*Based on the LBMA Gold Price AM in USD expressed in local currency as of 14 March 2025. Landed price of gold is the international price (LBMA gold price AM) adjusted for import taxes and exchange rate

So far in 2025,<sup>3</sup> the LBMA gold price AM in USD has risen by US\$330/oz or 12%, to US\$2,999/oz, with over 4% of that increase taking place in the first half of March. The Indian domestic landed price<sup>4</sup> has risen in tandem, gaining 17% to reach a record INR88,946/10g. The larger gains can be attributed to weakness in the INR against the USD (1.3% depreciation y-t-d). However, given the weakness in demand – particularly in jewellery – the domestic gold price remains at a discount relative to the landed price. The discount, or spread, between local and landed prices averaged US\$12/oz in the first half of March, slightly narrower than the US\$17/oz spread observed in February. Gold remains India’s top performing asset, with y-t-d gains of 13%,<sup>5</sup> in sharp contrast with the negative return from domestic equities and notably surpassing gains in fixed income assets (bonds and bank deposits). This underscores the strategic significance of gold in investor portfolios.

**Chart 2: Gold outperforms other asset classes**

% y-t-d returns in INR\*



\*As of 13 March 2025. Indices used: MCX Gold Index (for 995 purity), CRISIL Corporate Bond Index, S&P BSE Sensex Total Return Index, Clearing Corp of India Liquidity Weight T-Bill Index, ICE BofA Govt Bond Index.

**Price surge limits jewellery purchases but drives sales of old gold**

Record high prices have dented demand, particularly for gold jewellery, with purchases restricted to those that are need-based, primarily weddings. In addition, financial year-end dynamics, such as statutory payments and tax-saving investments, are curtailing discretionary spending and further weighing on demand. This slowdown is broad-based across both urban and rural areas. Anecdotal reports indicate that consumers continue to wait on the sidelines, hoping for a correction in prices or at least signs of price stability. Despite this, notwithstanding an easing in momentum, investment demand for bars and coins remains relatively healthy, driven by bullish sentiment regarding the future trajectory of the gold price.

The surge in gold prices has prompted sales of old gold jewellery. Retailers have reported a significant uptick in scrap or old gold sales, with some attributing up to a third of their sales to the exchange of old jewellery for newer, lighter pieces. Furthermore, loans against gold jewellery have increased. To the end of January this year, retail gold loans by commercial banks were up 77% y/y, indicating that consumers are increasingly leveraging gold for liquidity and financial gain.

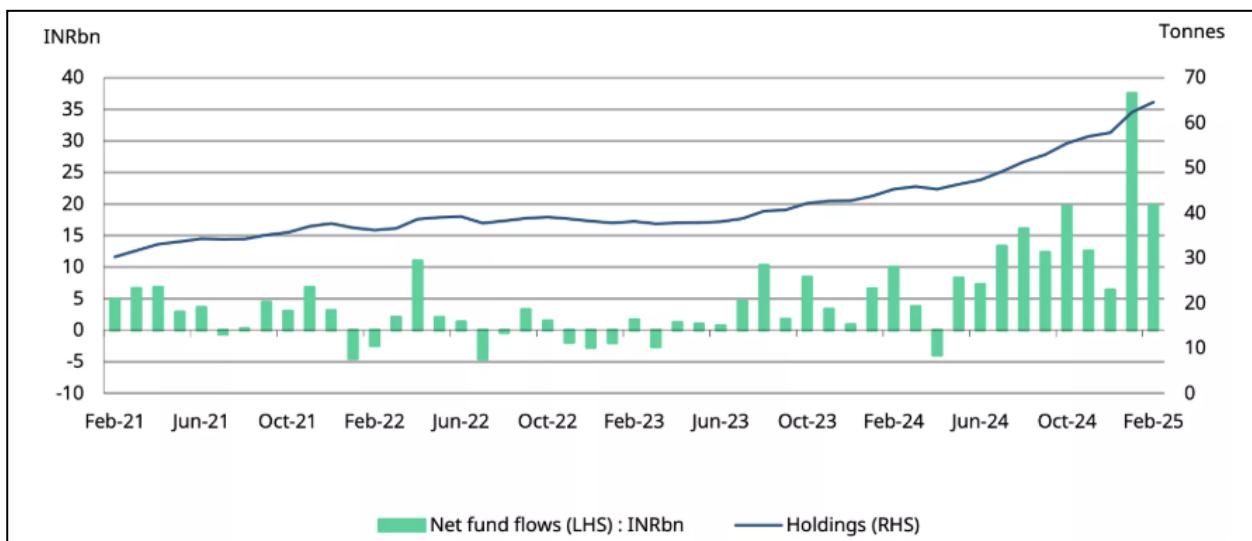
**Gold ETFs maintain momentum**

Indian gold ETFs continued their inflow in February. While lower than January’s record high, they remained healthy, driven by broadening investor interest amid global economic and market uncertainty and the positive momentum in the gold price.

According to the Association of Mutual Funds in India (AMFI), gold ETFs recorded net inflows of INR19.8bn(~US\$227mn) in February,6 marking the tenth consecutive month of positive flows. Although lower than January's peak,7 this surpassed the average net inflow figure (INR14.8bn/US\$175mn) recorded over the preceding nine months. February also witnessed significant redemptions, totalling INR7.8bn/US\$89.7mn – the highest since April 2024. This may be attributed to profit taking as gold prices surged. Despite these redemptions, investor participation remained strong with 0.3mn investor accounts (or folios) added during the month, bringing the total number of gold ETF investor accounts to a record 6.8mn, reflecting a growing investor interest in this instrument. Cumulative assets under management (AUM) of gold ETFs grew to INR55.7bn(~US\$6.4bn), up 7% m/m and 95% y/y. Overall holdings increased by 2.2t, taking collective holdings to 64.6t. These figures are in line with our initial estimates based on information available at the time.8 Rising investor interest has encouraged fund houses to introduce new gold ETF products, two of which were launched in February, bringing the total number of domestic gold ETFs to 20. At the end of February gold ETFs accounted for 0.9% of total AUM of mutual funds, up from 0.5% a year ago – an indication of the growing traction among investors.

### Chart 3: Gold ETFs keep climbing

Monthly gold ETF fund flows in INRbn, and total holdings in tonnes\*



\*As of end February 2025.

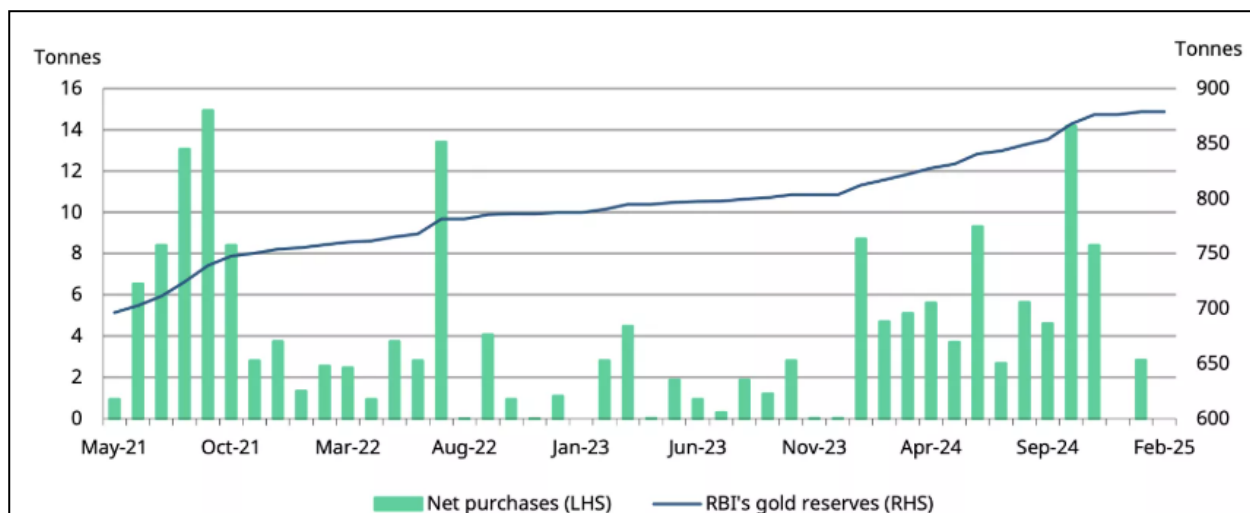
### RBI gold reserves stable, share of gold in forex reserves rising

The RBI held off buying gold in February, marking its second pause in three months, according to our estimates based on the bank's weekly reporting of forex reserves. However, the bank has been increasing its gold holdings consistently since the beginning of 2024, purchasing an average of 6.3t in 12 of the last 14 months. While its gold reserves remained steady at 879t in February, the share of gold in total forex reserves rose to 11.5%,<sup>9</sup> the highest on record and almost 4% higher than a year ago. This highlights the RBI's continued diversification of its forex reserves.

### Chart 4: RBI's gold buying pauses twice in three months

RRBI's net purchases and reserves, in tonnes\*





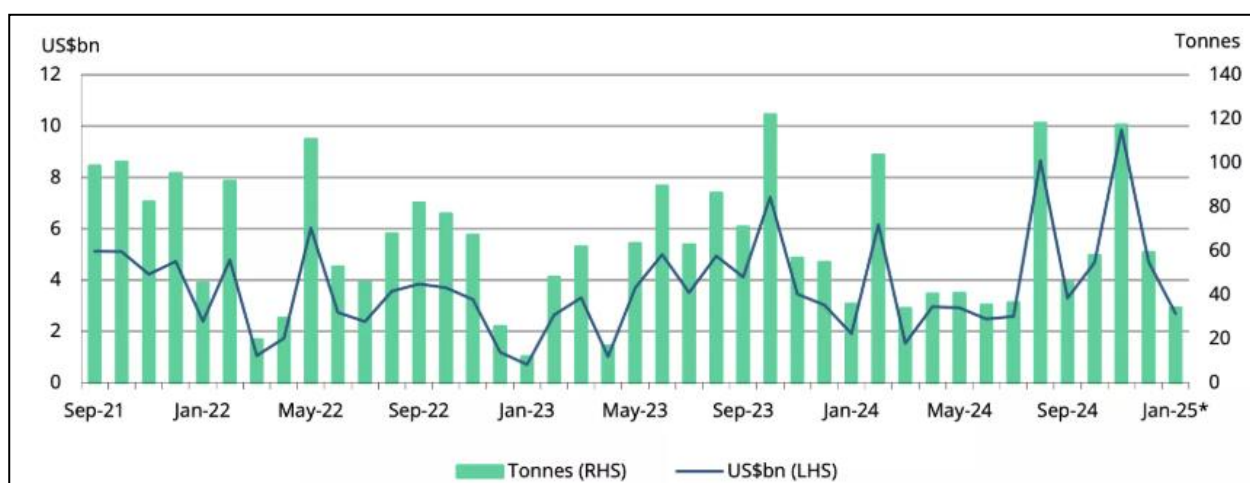
\*Data as of 7 March 2025.

### Gold imports decline further

February gold imports fell to their lowest level since March 2024, marking the third consecutive month of decline and a steep drop from November's highs. This trend reflects the weak demand environment amid high prices. According to Ministry of Commerce data<sup>10</sup> the gold import bill for February totalled \$2.3bn – a 14% m/m and 63% y/y decline. We estimate that import volume in February ranged between 25t and 30t.

### Chart 5: Downtrend in gold imports

Monthly gold imports in tonnes and US\$bn\*



\*Includes World Gold Council estimates.

(Source: <https://www.gold.org/goldhub/gold-focus/2025/03/india-gold-market-update-investment-appetite-upheld> )



## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors” and chapters titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 35, 227 and 270 respectively, of this Draft Red Herring Prospectus.*

*Unless otherwise indicated, the Restated Financial Statements included herein is based on our Restated Financial Statements for the period ended December 31, 2024 and Financial Years ended on March 31, 2024, 2023 and 2022 included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” beginning on page 227 of this Draft Red Herring Prospectus.*

### OVERVIEW

Our Company is primarily engaged in the business of manufacturing and designing the wide range of wholesale Gold Jewelleries which includes plain gold, studded and named jewelleries available in 22karat and 18Karat. As at December 31, 2024, plain gold, studded gold and named Jewelleries contributed 33.45 %, 42.12 % and 6.34 % , respectively of our revenue from operations. Our Company manufactures the finished gold jewelleries from the raw gold i.e. bullions and required consumables and sell it to dealers, showrooms, corporates and small jewellery shops in the wholesale quantities. We provide an extensive range of jewellery designs of plain gold, rose gold, the jewelleries studded with Cubic Zircon and / or coloured stones and named jewelleries customized and designed in detail, keeping in mind the customer’s unique preferences and requirements. Our Company manufactures jewelleries for three categories of Individuals men, women and children.

Our Company marked its footprints in the year 2014, when one of our promoter Mr. Ashraf P alongwith his father Mr. Kunhimohamed P jointly entered into manufacturing business of gold jewellery in the name and style as “Vismaya Gold”. Our Company was established in the year 2018 vide Certificate of Incorporation dated March 23, 2018 as a Private Limited Company under the name “Pheonix Gold Castings Private Limited” with Mr. Ashraf P and Mr. Kunhimohamed P as the initial subscribers of our Company. Our Company changed its name to “AJC Jewel Manufacturers Private Limited” vide Certificate of Incorporation dated May 14, 2020. Further, the name of our company was changed to “AJC Jewel Manufacturers Limited” pursuant to Conversion of Company from private to public vide Certificate of Incorporation dated September 24, 2024. Our Company is currently promoted by Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekkattu. Our Promoter Mr. Ashraf P manages and control the major affairs of our Business Operations with his considerable experience in our Industry. For more details, please see the chapter titled, “Our Management” and “Our Promoters and Promoter Group” on page 202 and 218 of this Draft Red Herring Prospectus.

We cater to a large number of local dealers, showrooms and small-scale jewellery shops who buy our products in bulk quantities. We cater to a variety of customers across mid-market and value market segments and our products are designed by our in-house team of designers who are CAD designers and also certain freelance designers, allowing us to manage a large and diverse portfolio of designs. Our product range includes Anklet, Bangle, Bracelet, Earrings, Necklace, Nose Pin, Pendant, Ring and customized named jewelleries (like Name Bracelet, Name Pendant, Name Ring) based on the dealer’s orders and end customers preferences and demands.

We have an equipped gold jewellery manufacturing facility situated at Inkel Greens Edu City, Malappuram with each processing machines and equipment having capability to design as well as manufacture gold jewelleries under one roof. The manufacturing facility has an area admeasuring 21,780.76 Sq. Ft. and is taken on lease by us. Our manufacturing facility is equipped with the necessary equipment, such as 3D printer, Wax Injector, Casting Machine, and polishing Equipment and other handling equipment, to support a seamless manufacturing process. By following necessary safety standards and conducting safety meetings, we try to keep our workplace safe. We have CAD Designers capable of handling any difficult customized orders. Therefore, we are able to provide quality products to our customers.

**Plain Gold** is the jewellery made of pure gold with no studded stones or metals mounted on it, it can be yellow gold or rose gold.

**Studded Gold jewellery** is a jewellery studded with coloured stones, Company uses Cubic Zircon and / or coloured stones for customized Jewellery on the basis of the preferences of the end customers.

**Named Gold** is a jewellery that can be personalized and engraved with a name, such as a name necklace or name bracelet.

**22 karat Gold** is an alloy that contains 91.67% pure gold and 8.33% other metals, such as copper, silver, nickel, or zinc. It is often used to make jewelleries since it is more durable than 24 karat gold and is less expensive, the plain gold, studded gold and named gold are available in 22 Karat Gold.

**18 karat Gold** is a type of gold alloy that is 75% pure gold and 25% other metals, such as silver, copper, or nickel. The "K" stands for karat, which is the unit used to measure the purity of gold, usually all types of gold are available in 18 karat gold, however, Rose Gold is available only in 18 Karat Gold.

We have implemented quality control practices across the value chain to ensure that we sell gold jewellery in line with the quality and purity metrics as prescribed by our dealers. Various quality control practices are followed from the time of receiving the gold bullion to manufacturing of the final product, at each stage of the process, supervision of the quality metrics is taken care of. Our QC / QA team comprises of 4 dedicated personnel who are responsible for detailed product supervision, including its design, polishing, size and purity. Once the product is manufactured, they are delivered to the customers only after the thorough checking of quality by supervisors. We believe, strong customer relationships, drive sales, sustainability and growth.

Our Company does not provide hallmarking name services, Since, our company deals in a wholesale industry. However, in few instances if the Company has received one of retail orders, then the Company gets the jewellery hallmarked from authorized centers.

To manage our sales on PAN India basis, we have dedicated Sales manager and Customer relation executives handling all the sales from the Registered Office. The Sales manager is primarily responsible for generating enquiries, soliciting orders from dealers and conducting negotiations with them. They are also engaged in the marketing activities such as market research, information gathering, participating in exhibitions.

We procure standard gold bullion from DGFT nominated agencies (in our cases Axis Bank and HDFC Bank) and other bullion dealers. We also procure used gold from common people. We procure standard gold from nominated agencies at a premium added rate over spot gold rate. We negotiate with nominated agencies for a low premium at the time of purchase intend placing. On the other hand, when procuring from other bullion dealers, the rate is fixed by mutual negotiation. We have multiple suppliers for rate comparison. For all other consumables, we have multiple vendors from different states.

Our Company manufactures the other items which includes sales of raw gold and some service income which are shown in the financial statements. Our Company in rare case sell raw gold without further processing it into jewellery. Since these sales are infrequent and we do not actively engage in trading, we classify these sales under manufacturing income rather than trading activity.

### Key Performance Indicators of our Company.

#### As per Restated Financial Statements

(₹ in Lakhs)

| Key Financial Performance                             | For the Period ended December 31, 2024 | For the Financial Year ended |                |                |
|---|--|------------------------------|----------------|----------------|
|   |  | March 31, 2024               | March 31, 2023 | March 31, 2022 |
| Revenue from Operations <sup>(1)</sup>                | 17,504.76                              | 24,588.99                    | 19,418.14      | 12,739.10      |
| EBITDA <sup>(2)</sup>                                 | 364.07                                 | 539.63                       | 394.08         | 213.97         |
| EBITDA Margin (%) <sup>(3)</sup>                      | 2.08%                                  | 2.19%                        | 2.03%          | 1.68%          |
| PAT <sup>(4)</sup>                                    | 185.32                                 | 331.94                       | 203.89         | 126.19         |
| PAT Margin (%) <sup>(5)</sup>                         | 1.06%                                  | 1.35%                        | 1.05%          | 0.99%          |
| Return on equity (%) <sup>(6)</sup>                   | 14.29%                                 | 34.64%                       | 33.42%         | 24.80%         |
| Return on capital employed (%) <sup>(7)</sup>         | 11.94%                                 | 17.47%                       | 11.31%         | 17.78%         |
| Debt-Equity Ratio (times)                             | 1.32                                   | 1.87                         | 3.68           | 1.30           |
| Net fixed asset turnover ratio (times) <sup>(9)</sup> | 48.61                                  | 64.32                        | 69.97          | 108.29         |
| Current Ratio (times) <sup>(10)</sup>                 | 1.65                                   | 1.42                         | 1.19           | 1.35           |

**Notes:** M/s. Vinay Bhushan & Associates, Chartered Accountants by their certificate dated April 15, 2025

#### Explanation of KPIs:

(1) Revenue from operations means the revenue from sale of our products.

(2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income.

(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.

(4) PAT is calculated as PBT – Total Tax expense.

(5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

- (6) *Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.*
- (7) *Return on Capital Employed is calculated as follows: Profit before tax + Finance Costs – Other Income (EBIT) divided by (Tangible Net Worth + Total Debt + Deferred Tax Liabilities).*
- (8) *Debt to Equity ratio is calculated as Total Debt divided by equity.*
- (9) *Net Fixed asset turnover ratio is calculated by dividing the Revenue from Operations by net Fixed Assets of the Company.*
- (10) *Current Ratio is calculated by dividing Current Assets to Current Liabilities.*

## **OUR STRENGTHS**

Our principal competitive strengths include the following:

### **1. Wide product range, Design and Innovation in our product range**

We operate on the idea of creating innovative and unique designs in our product offerings. Our offerings include Rings, Pendants, Chains, Necklace, Anklets, Bracelets, Bangles, Earrings available in 22 Karat and 18 Karat. Based on our research, we believe that we have been able to create a unique and diversified range of designs and product range to cater to all age and genre of customers indirectly, keeping in mind the taste and preference of different regions. Our workforce and artisans have allowed us to create a diversified and a wide range of varied and unique designs of different weightage to cater to large variety of customers. We create an inventory of varied types of jewellery design products for our wholesale segment, which enables and ensures repeat dealers. We ensure that we are updated with the latest market trends.

Our products are suitable for all age groups and our product portfolio is designed by our in-house designers, which allows us to manage a large and diverse portfolio of designs, including traditional, contemporary and fusion designs across jewellery lines, usages and price points.

### **2. Experienced Promoter and management team with proven execution capabilities and Skilled work force with contemporary designing capabilities**

Given the family-run nature of our business, the experience of our promoter holds immense significance. Our one of the Promoter and Managing Director, Mr. Ashraf P, has over 13 years of experience in the jewellery business and is instrumental in creating the vision and overall direction to our business based on his long experience of understanding market demands in the Gold Jewellery industry.

Further, we have an experienced and dedicated senior management team. Our senior management team are responsible for the overall strategic planning and business development of our Company and have helped us in the expansion of our dealer's network and creating our sales and marketing strategy. The Promoters and senior management also actively participate in various jewellery exhibitions in India, leveraging their deep-rooted understanding of the industry to continually refine our product offerings. Their leadership ensures that we maintain strict quality standards across our product spectrum.

Further, our Company boasts a diverse team of skilled artisans and professionals with varied expertise in jewellery making. Our Company fosters creativity and innovation through collaborative design processes. By encouraging open communication and idea-sharing among designers, the company cultivates a culture of innovation where fresh and innovative design concepts emerge. With a team of CAD designers on our payroll who provides the variety of designs suitable as per the customers' requirement.

Our large skilled workforce with knowledge and expertise in jewellery-making is a key competitive strength that has enabled us to establish and maintain our reputation and brand.

### **3. Long-standing relationship with reputed jewellery dealers**

Our Company is engaged in B2B sales of jewellery. Since our incorporation, we have been engaged with prominent jewellery dealers, which are established brands in the domestic jewellery retailing market. Further, the Company has such association of various years with these jewellery retailers. Our business growth in the past is mainly attributed to such established relationships and we intend to continue to leverage such associations for future growth as well.

### **4. Organised manufacturing setup under one roof**

We have our own manufacturing set up consisting of bench working artisans, technology for laser cutting, laser engraving and casting units. We have inhouse 3D printing machine to convert CAD image in CAM. It is equipped with each stage processing equipment and machines due to which our manufacturing process underscores our commitment to efficiency,

quality, and innovation. Our custom build order management software facilitates swift workflows for our valuable corporate clients, empowering them to efficiently track the progress of their orders.

The facility under one roof brings efficiency, control, supply assurance and large-scale supplies that are crucial to meet the demands of our customers. It also helps in commanding better management oversight, security of precious metal due to reduced movement and most importantly controlling the manufacturing process loss. This enables us to control costs and increase our profit margins and gives us a competitive advantage.

## **OUR STRATEGIES**

### ***1. Continue to invest in our manufacturing operations:***

Continuously investing in our manufacturing operations is a strategic move for our company, by installing and accommodating new automated equipment, we will be able to achieve better operational efficiency. This automated equipment such as the 3D printer, Wax Injector, Casting Machine, Investment Mixer, Screw Making Setup, CNC strip Cutting Machine and CNC Bangle/Ring Cutting Machine will enhance our manufacturing processes and increase our production capacity.

With these upgrades and expansions, we anticipate being able to expand our operations, which will provide us with operational efficiency and support the growth of our business. We are committed to investing in capacity expansions and modernizing our equipment to stay competitive in the market. Furthermore, we recognize the importance of seeking new venture opportunities, acquisitions, and strategic alliances that are complementary to our business. By actively pursuing such opportunities, we can expand our capabilities in a cost-efficient manner and create value for our stakeholders and customers.

### ***2. Improving Debt – Equity Ratio***

Our Company has obtained secured loans from the Banks from time to time. These loans were utilised for working capital requirement. As on December 31, 2024, our debt - equity ratio stands at 1.32. We intend to repay these loans to improve our debt equity ratio. Further, repayment of secured loans will reduce burden of interest cost and enhance our Financial Stability and reduce long term liabilities and dependence on the banks with high interest rates to operate an efficient business.

### ***3. Adding new designs to our product portfolio***

Our marketing personnel regularly participate in exhibitions where they come across various new designs. These designs are forwarded to our in-house designers who improve upon it according to latest trends and requirements. Our in-house designers also come up with their own designs and ideas which are showcased to our regular customers and dealers. We bring innovative ideas and designs to our customers on a regular basis. Our Company intends to continue to add new designs to our jewellery portfolio by regularly participating in exhibitions and trade fairs.

### ***4. Increasing Operational efficiency***

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, QA/QC activities, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees.

Managerial expertise, workforce and modernization of the manufacturing units results in consistent high level of productivity. We have established manufacturing facilities and we are continuously on the look- out for new / updated technologies. Our investments in value adding equipment / attachments to our machines will result in twin benefits of consistent high quality and improved productivity, ensure enhanced operational efficiency.

## **SWOT ANALYSIS**

### **Strengths:**

- Market Advantage: Less competition allows for effective market share capture.
- Customization Expertise: Strong ability to create bespoke jewellery tailored to individual customer preferences.
- Established Customer Base: Robust trust and loyalty from clients built since 2018.

- **Experienced Workforce:** Skilled artisans and seasoned leadership with extensive industry experience.
- **Technological Advancements:** Use of modern manufacturing equipment enhances efficiency and product quality.
- **Innovative Payment Structure:** Fair compensation model promotes transparency and workforce satisfaction.
- **Logistics Optimization:** Partnerships with high-value courier agencies ensure timely delivery and enhanced customer satisfaction.
- **Order Management Software:** Efficient tracking for over 200 corporate clients streamlines operations and boosts client trust.

#### **Weaknesses:**

- **Dependence on Market Conditions:** Vulnerability to fluctuations in the gold market and economic conditions.
- **Limited Brand Recognition:** As a relatively new player, brand visibility may be lower compared to more established competitors.
- **Resource Allocation:** Expansion and e-commerce initiatives require significant investment and management focus, which could strain resources.
- **Scalability Challenges:** Customization may limit mass production capabilities, potentially affecting profit margins.

#### **Opportunities:**

- **Expansion Plans:** Targeting GCC (Gulf Cooperation Council) and neighbouring states for new market penetration.
- **E-commerce & Export Initiatives:** Leveraging digital platforms to diversify revenue and reach a broader audience.
- **Franchise Development:** Opportunities for franchise growth can enhance brand presence and distribution channels.
- **International Trade Participation:** Engaging in global trade fairs can attract foreign buyers and partnerships.
- **Retail Expansion:** Establishing physical outlets in malls and trade centres can improve accessibility and brand visibility.
- **Rising Demand for Custom Jewellery:** Growing customer interest in personalized products aligns with the company's strengths.

#### **Threats:**

- **Intense Competition:** Potential entry of new competitors or expansion of existing players may challenge market position.
- **Regulatory Changes:** Changes in trade regulations, tariffs, or gold sourcing policies could impact operations.
- **Economic Downturns:** Economic instability can reduce customer spending on luxury items like jewellery.
- **Supply Chain Disruptions:** Global events (e.g., pandemics, geopolitical tensions) may affect raw material availability and logistics.
- **Technological Disruption:** Rapid technological advancements may require continual investment to stay competitive.

### **GEOGRAPHICAL PRESENCE SALES**

Our company have PAN India presence with our clientele base in 7 states and 1 Union territory for our domestic market based on sales made for the period ended December 31, 2024 and financial year ended March 31, 2024, 2023 and 2022. Our revenue from domestic sales was ₹ 14,133.02 Lakhs, ₹ 15,912.27 Lakhs, ₹ 19,418.14 Lakhs and ₹ 12,739.10 Lakhs, which contributed 80.74%, 64.71%, 100.00% and 100.00% sales from domestic operations for the period ended December 31, 2024 and financial year ended March 31, 2024, 2023 and 2022 respectively and our Revenue from Operations from the exports were ₹ 3,371.74 Lakhs, ₹ 8,676.72 Lakhs, Nil and Nil, which contributed 19.26%, 35.29%, nil and nil sales from the exports for the period ended December 31, 2024 and financial year ended 2024, 2023 and 2022 respectively.

For the period ended December 31, 2024 and financial year ended 2024, 2023 and 2022, our Revenue from Operations was ₹ 17,504.76 Lakhs, ₹ 24,588.99 Lakhs, ₹ 19,418.14 Lakhs and ₹ 12,739.10 Lakhs, respectively. Our EBITDA (earnings before interest, depreciation and tax excluding other income) for the period ended December 31, 2024 and financial year ended 2024, 2023 and 2022 was ₹ 364.07 Lakhs, ₹ 539.63 Lakhs, ₹ 394.08 Lakhs and ₹ 213.97 Lakhs, respectively, while our profit after tax for the period ended December 31, 2024 and financial year ended 2024, 2023 and 2022 was ₹ 185.32 Lakhs, ₹ 331.94 Lakhs, ₹ 203.89 Lakhs and ₹ 126.19 Lakhs, respectively.

- Following is our revenue bifurcation for domestic and exports for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:**

*(₹ in Lakhs, otherwise mentioned)*

| Revenue Particulars | For the period ended December 31, 2024 |                              | FY 2023-24              |                              | FY 2022-23              |                              | FY 2021-22              |                              |
|---------------------|--|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|
|                     | Revenue from Operations                | % of Revenue from operations | Revenue from Operations | % of Revenue from operations | Revenue from Operations | % of Revenue from operations | Revenue from Operations | % of Revenue from operations |
| Domestic            | 14,133.02                              | 80.74%                       | 15,912.27               | 64.71%                       | 19,418.14               | 100%                         | 12,739.10               | 100%                         |
| Exports             | 3,371.74                               | 19.26%                       | 8,676.72                | 35.29%                       | -                       | -                            | -                       | -                            |
| <b>Total</b>        | <b>17,504.76</b>                       | <b>100.00%</b>               | <b>24,588.99</b>        | <b>100.00%</b>               | <b>19,418.14</b>        | <b>100.00%</b>               | <b>12,739.10</b>        | <b>100.00%</b>               |

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- ii. Following is the State-Wise Domestic Revenue Bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Particulars    | For the period ended December 31, 2024 |                              | FY 2023-24              |                              | FY 2022-23              |                              | FY 2021-22              |                              |
|----------------|--|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|
|                | Revenue from Operations                | % of Revenue from operations | Revenue from Operations | % of Revenue from operations | Revenue from Operations | % of Revenue from operations | Revenue from Operations | % of Revenue from operations |
| Kerala         | 13,691.54                              | 78.22%                       | 15,671.88               | 63.74%                       | 19,228.42               | 99.02%                       | 12,725.28               | 99.89%                       |
| Andhra Pradesh | -                                      | -                            | 0.69                    | 0.00%                        | 0.37                    | 0.00%                        | -                       | -                            |
| Karnataka      | 71.89                                  | 0.41%                        | 3.90                    | 0.02%                        | 19.76                   | 0.10%                        | -                       | -                            |
| Maharashtra    | -                                      | -                            | 5.73                    | 0.02%                        | 0.16                    | 0.00%                        | -                       | -                            |
| Pondicherry    | -                                      | -                            | 0.34                    | 0.00%                        | -                       | -                            | -                       | -                            |
| Telangana      | 1.76                                   | 0.01%                        | 3.54                    | 0.01%                        | 10.42                   | 0.05%                        | -                       | -                            |
| Uttar Pradesh  | -                                      | -                            | 11.19                   | 0.05%                        | 0.70                    | 0.00%                        | -                       | -                            |
| Tamil Nadu     | 367.83                                 | 2.10%                        | 215.00                  | 0.87%                        | 158.31                  | 0.82%                        | 13.82                   | 0.11%                        |
| <b>Total</b>   | <b>14,133.02</b>                       | <b>80.74%</b>                | <b>15,912.27</b>        | <b>64.71%</b>                | <b>19,418.14</b>        | <b>100.00%</b>               | <b>12,739.10</b>        | <b>100.00%</b>               |

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- iii. Following is the Country-Wise Export Revenue Bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Region               | For the period ended December 31, 2024 |                              | FY 2023-24        |                              | FY 2022-23        |                              | FY 2021-22        |                              |
|----------------------|--|------------------------------|-------------------|------------------------------|-------------------|------------------------------|-------------------|------------------------------|
|                      | Turnover (Export)                      | % of Revenue from operations | Turnover (Export) | % of Revenue from operations | Turnover (Export) | % of Revenue from operations | Turnover (Export) | % of Revenue from operations |
| India                | 14,133.02                              | 80.74%                       | 15,912.27         | 64.71%                       | 19,418.14         | 100%                         | 12,739.10         | 100%                         |
| United Arab Emirates | 3,371.74                               | 19.26%                       | 8,676.72          | 35.29%                       | -                 | -                            | -                 | -                            |

|              |                  |             |                  |             |                  |             |                  |             |
|--------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| <b>Total</b> | <b>17,504.76</b> | <b>100%</b> | <b>24,588.99</b> | <b>100%</b> | <b>19,418.14</b> | <b>100%</b> | <b>12,739.10</b> | <b>100%</b> |
|--------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|

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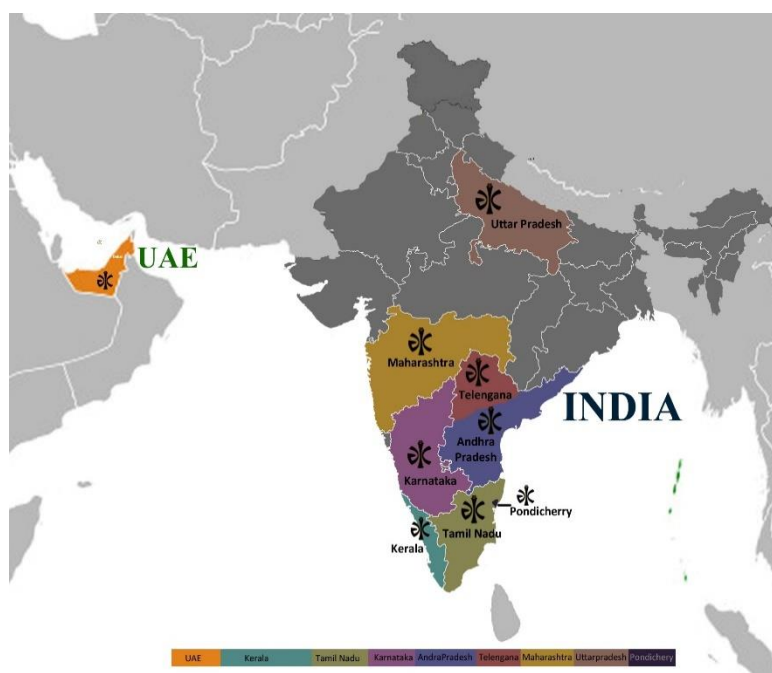
- iv. Following is our revenue bifurcation from B2B, B2C and B2G for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Revenue Particulars | For the period ended December 31, 2024 |                              | FY 2023-24              |                              | FY 2022-23              |                              | FY 2021-22              |                              |
|---------------------|--|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|
|                     | Revenue from Operations                | % of Revenue from operations | Revenue from Operations | % of Revenue from operations | Revenue from Operations | % of Revenue from operations | Revenue from Operations | % of Revenue from operations |
| B2B                 | 17,424.59                              | 99.54%                       | 24,244.01               | 98.58%                       | 19,244.57               | 99.11%                       | 12,653.24               | 99.33%                       |
| B2C                 | 80.17                                  | 0.46%                        | 344.98                  | 1.42%                        | 173.57                  | 0.89%                        | 85.86                   | 0.67%                        |
| B2G                 | -                                      | -                            | -                       | -                            | -                       | -                            | -                       | -                            |
| <b>Total</b>        | <b>17,504.76</b>                       | <b>100%</b>                  | <b>24,588.99</b>        | <b>100%</b>                  | <b>19,418.14</b>        | <b>100%</b>                  | <b>12,739.10</b>        | <b>100%</b>                  |

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### Our Customer Footprints in India & Abroad






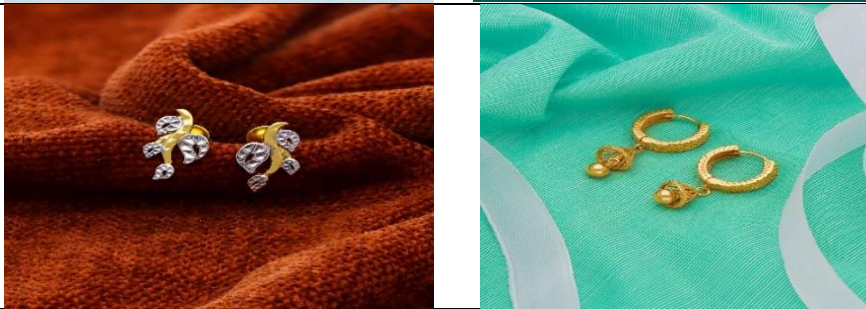
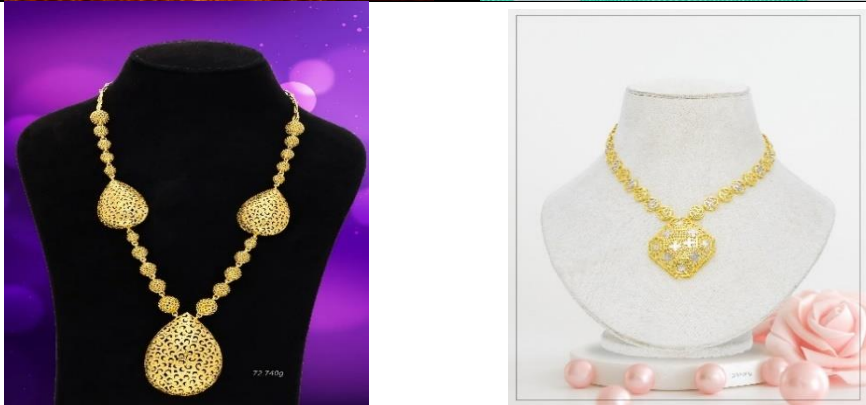
### PRODUCT PORTFOLIO

Our Company is primarily engaged in the manufacturing of Plain Gold, Studded Gold and Named Gold Jewelleries (yellow and rose gold), the sub-type of which includes Rings, Pendants, Chains, Necklaces, Anklets, Bracelets, Bangles, Earrings available in 22K and 18K. Our Company manufactures jewellery for three categories of person like men, women and children. Our Company manufactures from the raw gold bullion and sell it in wholesale quantities to the dealers, showrooms, corporates and small jewellery shops. Our Company is specialised in casting jewellery. All kind of casting jewellery, name/letter designs, fusion designs of casting and traditional jewellery, divine/religious collections, light weight daily wear collections, etc. are designed and manufactured by our company.


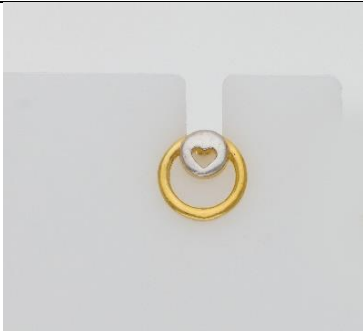




Following are the Main Products and sub products manufactured by our Company category wise:



**Plain Gold Jewellery products:** Plain Gold Jewellery is a category of 22K or 18K Jewellery without any kind of stones or diamond mounted on it.

| Sr. No. | Name of the Sub-Product | Image  |  |
|---------|-------------------------|--|--|
| 1.      | Anklet                  |    |  |
| 2.      | Bangle                  |    |  |
| 3.      | Bracelet                |   |  |
| 4.      | Earrings                |  |  |
| 5.      | Necklace                |  |  |







|    |          |  |   |
|----|----------|--|---|
| 6. | Nose pin |   |   |
| 7. | Pendant  |   |   |
| 8. | Rings    |  |  |





**Studded Jewellery Products:** Studded Gold Jewellery is a category of 22K or 18K jewellery with CZ stones, coloured stones mounted on it.

| Sr. No. | Name of the Sub-Product | Image   |  |
|---------|-------------------------|---|--|
| 1.      | Anklets                 |  |  |



|    |          |   |  |
|----|----------|---|--|
| 2. | Bangle   |    |    |
| 3. | Bracelet |    |    |
| 4. | Earrings |   |   |
| 5. | Necklace |  |  |
| 6. | Nose pin |  |  |

|    |         |   |  |
|----|---------|---|--|
| 7. | Pendant |  |  |
| 8. | Rings   |  |  |







**Named Jewellery Products:** Named gold jewellery is a category of 22K Jewellery. Especially used in marriage functions as a token of love between bride and groom. The name of bride/groom is written on the kind of jewellery. Ring, Pendant, and Bracelet.

| Sr. No. | Name of the Product | Image   |  |
|---------|---------------------|---|--|
| 1.      | Bracelet            |  |  |
| 2.      | Pendant             |  |  |



|    |      |  |  |
|----|------|--|--|
| 3. | Ring |   |  |
|----|------|--|--|

**Rose Gold Jewellery Products:** Rose gold is available only in 18K and features a distinctive rosy hue. While the natural color of gold is yellow, it can be transformed into a light rose shade by blending it with special alloys and applying rose gold plating.

| Sr. No. | Name of the Product | Image  |  |
|---------|---------------------|--|--|
| 1.      | Necklace            |     |  |
| 2.      | Pendant             |   |  |
| 3.      | Ring                |   |  |

**PRODUCT WISE, CATEGORY WISE, SUB-PRODUCT WISE, TOP 5 CUSTOMERS AND TOP 10 CUSTOMERS REVENUE BIFURCATION**

a. Following is Product wise revenue bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Product Wise Sales |                 | For the period ended December 31, 2024 |                  |                | FY 2023-24         |                  |                | FY 2022-23         |                  |                | FY 2021-22         |                  |                |
|--------------------|-----------------|--|------------------|----------------|--------------------|------------------|----------------|--------------------|------------------|----------------|--------------------|------------------|----------------|
| Sr No.             | Product         | Units                                  | Amount           | % of Revenue   | Units              | Amount           | % of Revenue   | Units              | Amount           | % of Revenue   | Units              | Amount           | % of Revenue   |
| 1.                 | Plain Gold      | 1,12,684.11                            | 5,856.80         | 33.45%         | 2,35,239.60        | 13,120.87        | 53.37%         | 2,20,864.43        | 11,075.57        | 57.04%         | 1,45,795.43        | 6,718.95         | 52.74%         |
| 2.                 | Studded Gold    | 80,554.43                              | 7,372.28         | 42.12%         | 1,62,774.50        | 9,081.40         | 36.93%         | 1,31,721.07        | 6,604.68         | 34.01%         | 1,27,353.61        | 5,869.00         | 46.07%         |
| 3.                 | Named Jewellery | 16,206.12                              | 1,109.47         | 6.34%          | 34,618.61          | 1,931.28         | 7.85%          | 29,184.32          | 1,463.41         | 7.54%          | -                  | -                | -              |
| 4.                 | Others          | 39,765.34                              | 3,166.21         | 18.09%         | 6,726.39           | 455.44           | 1.85%          | 3,000              | 274.48           | 1.41%          | 1,316.30           | 151.15           | 1.19%          |
| <b>Total</b>       |                 | <b>2,49,210.00</b>                     | <b>17,504.76</b> | <b>100.00%</b> | <b>4,39,359.10</b> | <b>24,588.99</b> | <b>100.00%</b> | <b>3,84,769.82</b> | <b>19,418.14</b> | <b>100.00%</b> | <b>2,74,465.34</b> | <b>12,739.10</b> | <b>100.00%</b> |

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b. Following is category wise revenue bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Category Wise Sales |                            | For the period ended December 31, 2024 |                  |              | FY 2023-24         |                  |              | FY 2022-23         |                  |              | FY 2021-22         |                  |              |
|---------------------|----------------------------|--|------------------|--------------|--------------------|------------------|--------------|--------------------|------------------|--------------|--------------------|------------------|--------------|
| Sr No.              | Category                   | Units                                  | Amount           | % of Revenue | Units              | Amount           | % of Revenue | Units              | Amount           | % of Revenue | Units              | Amount           | % of Revenue |
| 1.                  | 18 K yellow Gold Jewellery | -                                      | -                | -            | -                  | -                | -            | -                  | -                | -            | 22.01              | 0.93             | 0.01%        |
| 2.                  | 18 K Rose Gold Jewellery   | 45.28                                  | 2.86             | 0.02%        | 45.32              | 2.25             | 0.01%        | 24.96              | 1.11             | 0.01%        | -                  | -                | -            |
| 3.                  | 22K Yellow Gold jewellery  | 2,09,399.38                            | 14,335.69        | 81.90%       | 4,32,587.39        | 24,131.30        | 98.14%       | 3,81,744.86        | 19,142.55        | 98.58%       | 2,73,127.03        | 12,587.02        | 98.80%       |
| 4.                  | Others                     | 39,765.34                              | 3,166.21         | 18.09%       | 6,726.39           | 455.44           | 1.85%        | 3,000              | 274.48           | 1.41%        | 1,316.30           | 151.15           | 1.19%        |
|                     | <b>Total</b>               | <b>2,49,210</b>                        | <b>17,504.76</b> | <b>100%</b>  | <b>4,39,359.10</b> | <b>24,588.99</b> | <b>100%</b>  | <b>3,84,769.82</b> | <b>19,418.14</b> | <b>100%</b>  | <b>2,74,465.34</b> | <b>12,739.10</b> | <b>100%</b>  |

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c. Following is Sub-Product wise revenue bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Sub-Product Wise Sales |               | For the period ended December 31, 2024 |                  |              | FY 2023-24         |                  |              | FY 2022-23         |                  |              | FY 2021-22         |                  |              |
|------------------------|---------------|--|------------------|--------------|--------------------|------------------|--------------|--------------------|------------------|--------------|--------------------|------------------|--------------|
| Sr No.                 | Sub-Product   | Units                                  | Amount           | % of Revenue | Units              | Amount           | % of Revenue | Units              | Amount           | % of Revenue | Units              | Amount           | % of Revenue |
| 1                      | Anklet        | 5,858.05                               | 401.04           | 2.28%        | 11,126.30          | 620.20           | 2.52%        | 11,490.33          | 576.17           | 2.97%        | 7,898.44           | 364.05           | 2.86%        |
| 2                      | Bangle        | 13,470.01                              | 922.16           | 5.27%        | 23,101.94          | 1,289.14         | 5.24%        | 22,909.97          | 1,148.90         | 5.92%        | 22,213.80          | 1,023.72         | 8.04%        |
| 3                      | Bracelet      | 37,814.25                              | 2,588.76         | 14.79%       | 91,921.76          | 5,128.34         | 20.86%       | 6,0181.00          | 3,017.79         | 15.54%       | 48,387.02          | 2,229.95         | 17.50%       |
| 4                      | Earrings      | 21,397.68                              | 1,464.88         | 8.37%        | 34,651.30          | 1,933.30         | 7.86%        | 53,631.53          | 2,689.43         | 13.84%       | 24,332.43          | 1,121.47         | 8.80%        |
| 5                      | Name Bracelet | 831.35                                 | 56.91            | 0.33%        | 2,150.09           | 120.13           | 0.49%        | 1,145.97           | 57.49            | 0.30%        | 0.00               | 0.00             | 0.00%        |
| 6                      | Name Pendant  | 9,092.26                               | 622.45           | 3.56%        | 19,212.67          | 1,071.89         | 4.36%        | 16,579.39          | 831.32           | 4.28%        | 0.00               | 0.00             | 0.00%        |
| 7                      | Name Ring     | 6,282.51                               | 430.10           | 2.46%        | 13,255.86          | 739.26           | 3.01%        | 11,458.96          | 574.60           | 2.96%        | 0.00               | 0.00             | 0.00%        |
| 8                      | Necklace      | 5,170.52                               | 353.97           | 2.02%        | 16,488.01          | 920.01           | 3.74%        | 3,588.14           | 180.07           | 0.93%        | 7,468.25           | 344.22           | 2.70%        |
| 9                      | Nose Pin      | 477.06                                 | 32.66            | 0.19%        | 962.96             | 53.90            | 0.22%        | 989.62             | 49.64            | 0.26%        | 546.48             | 25.21            | 0.20%        |
| 10                     | Pendant       | 30,054.96                              | 2,057.56         | 11.75%       | 59,177.58          | 3,300.82         | 13.42%       | 62,543.08          | 3,136.23         | 16.15%       | 49,696.48          | 2,290.27         | 17.98%       |
| 11                     | Ring          | 78,996.01                              | 5,408.06         | 30.89%       | 1,60,584.24        | 8,956.56         | 36.43%       | 1,37,251.83        | 6,882.02         | 35.44%       | 1,12,606.14        | 5,189.06         | 40.73%       |
| 12                     | Others        | 39,765.34                              | 3,166.21         | 18.09%       | 6,726.39           | 455.44           | 1.85%        | 3,000              | 274.48           | 1.41%        | 1,316.30           | 151.15           | 1.19%        |
|                        | <b>Total</b>  | <b>2,49,210.00</b>                     | <b>17,504.76</b> | <b>100%</b>  | <b>4,39,359.10</b> | <b>24,588.99</b> | <b>100%</b>  | <b>3,84,769.82</b> | <b>19,418.14</b> | <b>100%</b>  | <b>2,74,465.34</b> | <b>12,739.10</b> | <b>100%</b>  |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated, April 28, 2025.

d. Following is our top 5 and 10 customers bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:

(₹ in Lakhs, otherwise mentioned)

| Particulars            | For the period ended December 31, 2024 |                              | For the year ended March 31, 2024 |                              | For the year ended March 31, 2023 |                              | For the year ended March 31, 2022 |                              |
|------------------------|--|------------------------------|-----------------------------------|------------------------------|-----------------------------------|------------------------------|-----------------------------------|------------------------------|
|                        | Amount (in lakhs)                      | % of Revenue from Operations | Amount (in lakhs)                 | % of Revenue from Operations | Amount (in lakhs)                 | % of Revenue from Operations | Amount (in lakhs)                 | % of Revenue from Operations |
| <b>Top 5 Customers</b> | 9,504.05                               | 54.29%                       | 14,029.72                         | 57.05%                       | 6,949.14                          | 35.79%                       | 4,318.98                          | 33.90%                       |

|                         |           |        |           |        |          |        |          |        |
|-------------------------|-----------|--------|-----------|--------|----------|--------|----------|--------|
| <b>Top 10 Customers</b> | 10,906.82 | 62.30% | 15,886.36 | 64.60% | 8,992.42 | 46.30% | 5,983.87 | 46.98% |
|-------------------------|-----------|--------|-----------|--------|----------|--------|----------|--------|

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e. List of top ten customers for the period ended December 31, 2024 and for the financial year ended March 31, 2024, 2023 and 2022 as per Audited Financial Statements:

| December 31, 2024 |                      |                              |
|-------------------|----------------------|------------------------------|
| Customers         | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1        | 3,354.61             | 19.16%                       |
| Customer 2        | 2,352.25             | 13.44%                       |
| Customer 3        | 1,926.10             | 11.00%                       |
| Customer 4        | 1,473.09             | 8.42%                        |
| Customer 5        | 398.01               | 2.27%                        |
| Customer 6        | 388.07               | 2.22%                        |
| Customer 7        | 275.56               | 1.57%                        |
| Customer 8        | 271.34               | 1.55%                        |
| Customer 9        | 252.21               | 1.44%                        |
| Customer 10       | 215.58               | 1.23%                        |

| March 31, 2024 |                      |                              |
|----------------|----------------------|------------------------------|
| Customers      | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1     | 8,423.25             | 34.25%                       |
| Customer 2     | 2,440.01             | 9.92%                        |
| Customer 3     | 1,848.62             | 7.52%                        |
| Customer 4     | 866.12               | 3.52%                        |
| Customer 5     | 451.72               | 1.84%                        |
| Customer 6     | 423.74               | 1.72%                        |
| Customer 7     | 413.18               | 1.68%                        |
| Customer 8     | 349.36               | 1.42%                        |
| Customer 9     | 346.70               | 1.41%                        |
| Customer 10    | 323.66               | 1.32%                        |

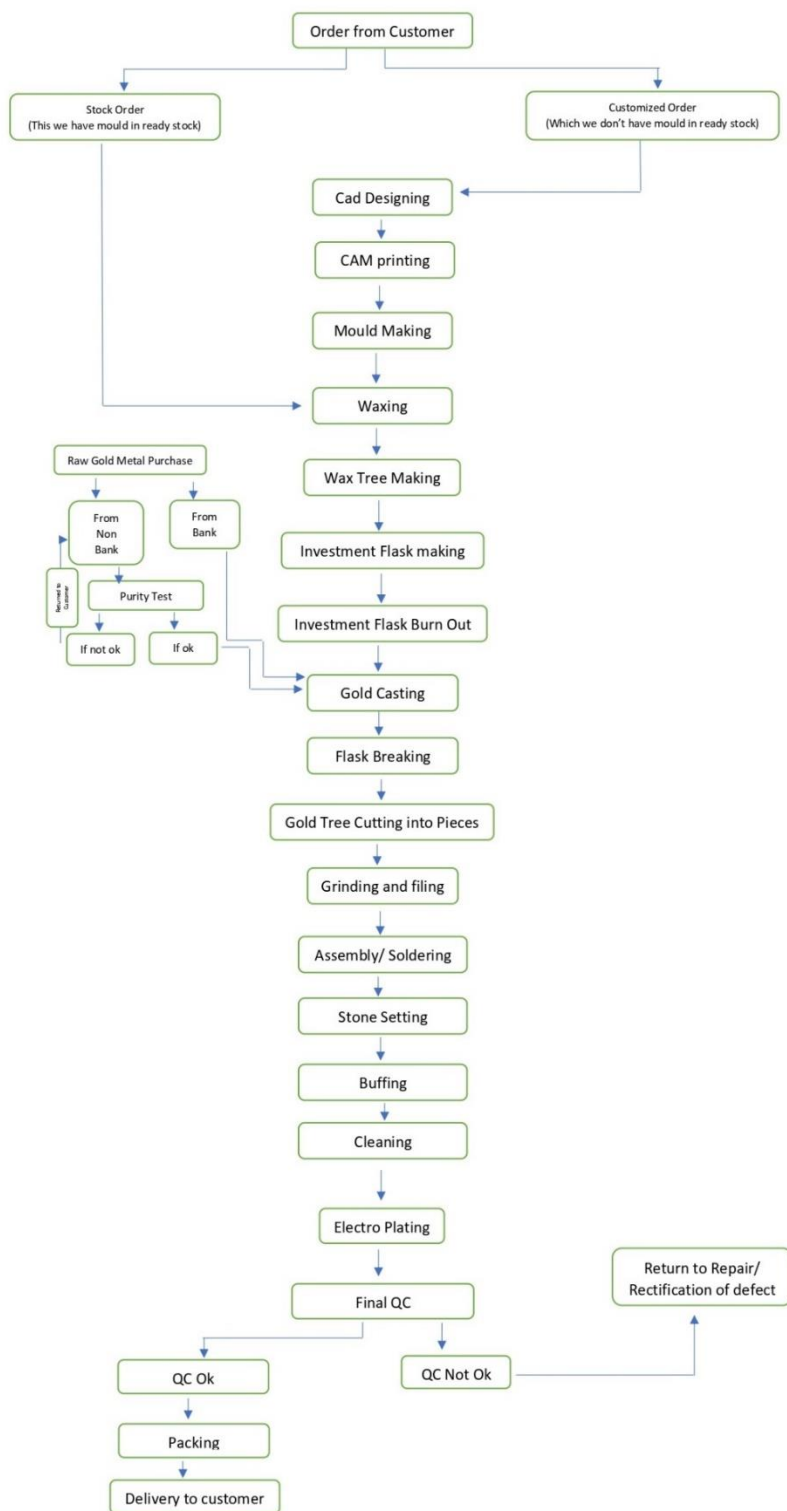
| March 31, 2023 |                      |                              |
|----------------|----------------------|------------------------------|
| Customers      | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1     | 2,648.27             | 13.64%                       |
| Customer 2     | 1,527.20             | 7.86%                        |
| Customer 3     | 1,053.14             | 5.42%                        |
| Customer 4     | 1,028.12             | 5.29%                        |
| Customer 5     | 692.40               | 3.57%                        |
| Customer 6     | 484.17               | 2.49%                        |
| Customer 7     | 471.79               | 2.43%                        |
| Customer 8     | 453.67               | 2.34%                        |
| Customer 9     | 332.15               | 1.71%                        |
| Customer 10    | 301.49               | 1.55%                        |

| March 31, 2022 |                      |                              |
|----------------|----------------------|------------------------------|
| Customers      | Revenue (₹ in lakhs) | % of revenue from operations |
| Customer 1     | 1,286.89             | 10.10%                       |
| Customer 2     | 955.55               | 7.50%                        |
| Customer 3     | 827.33               | 6.49%                        |
| Customer 4     | 656.04               | 5.15%                        |
| Customer 5     | 593.18               | 4.66%                        |
| Customer 6     | 441.68               | 3.47%                        |
| Customer 7     | 414.72               | 3.26%                        |

|             |        |       |
|-------------|--------|-------|
| Customer 8  | 306.97 | 2.41% |
| Customer 9  | 263.11 | 2.07% |
| Customer 10 | 238.40 | 1.87% |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated, April 28, 2025.

## MANUFACTURING PROCESS



Each step involved in our manufacturing process can be better understood by the following brief.



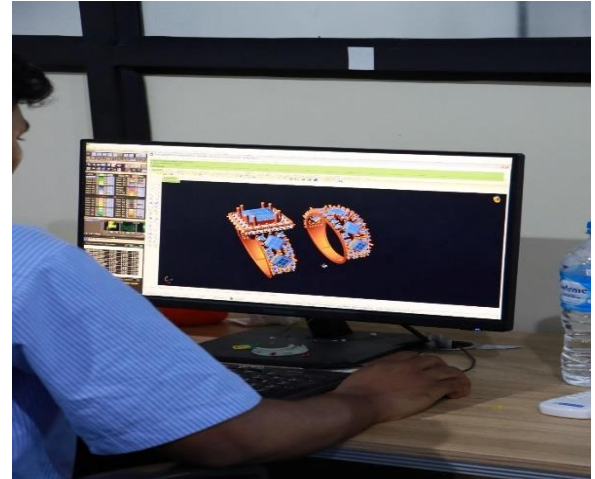
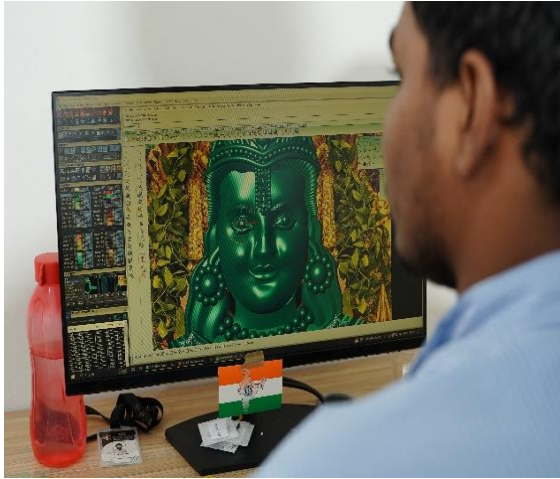
1. **Order Management System (OMS):** The first step of the manufacturing process is to receive orders from our customers. For receiving and managing the orders we use one software namely Order Management System. This is an online software having separate login portal for our customers, sales staffs, supervisors, workers, and quality checkers. We are providing login ID to our customers. Customers Can login into their portal and choose the design from listed designs. Or they can customize the design by uploading any reference photos or writing their requirement. When customers place the orders through their portal, our backend order controlling team will get notification. Then they will check and confirm the order, then it will be assigned to first worker as its nature. Customers can view the status of their order through their portal.



2. **Designing:** Once the order is received, the next step is to create a design. The designing is the stage where the jewellery designer develops an idea of jewellery design and turns it into a reality by evaluating the idea and upon further analysis.

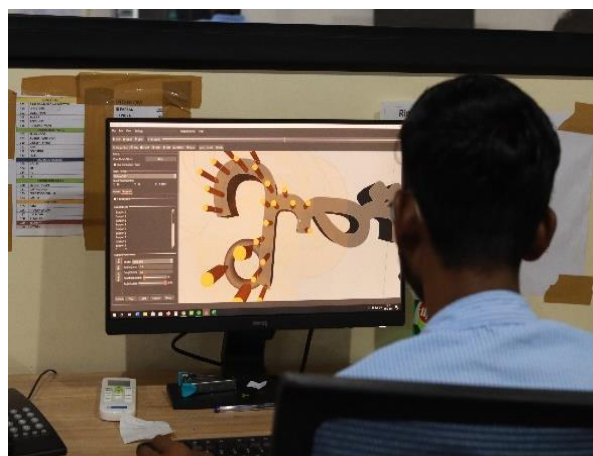


3. **CAD/CAM 3D Printing:** The next stage, just after the designing stage is the CAD/CAM stage, which involves the use of CAD Software. The CAD Software is a 2D and 3D computer-aided software often used by designers which improves the dimensional accuracy and quality of the design. Also, it helps in the creation of a database for manufacturing. When the task of designing a concept gets completed by the jewellery designer, and the same is being created on the paper and designed at the system. This process of conversion of 'concept on paper' to the 'system' is done through the CAD Software, or the Computer Aided Designing technology.



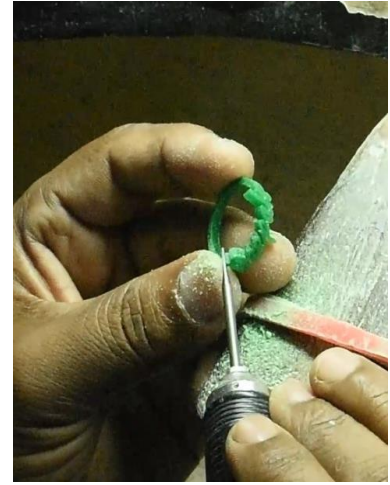
4. **CAM:** The CAM or the Computer Aided Manufacture software is a software which takes care of the process of machining and manufacturing, or simply we can say, to automate the manufacturing process.

This process is done using 3D printing machine. While an ink printer creates images by organizing layers of liquid ink on paper, a 3D printer creates three dimensional objects by organizing layers of molten plastics (Resin) on top of each other. A 3D printed part will be produced most efficiently when designed with CAD. 3D printers are subject to the instructions contained in the CAD model. They use this data to determine how much material to deposit and where exactly to deposit it.

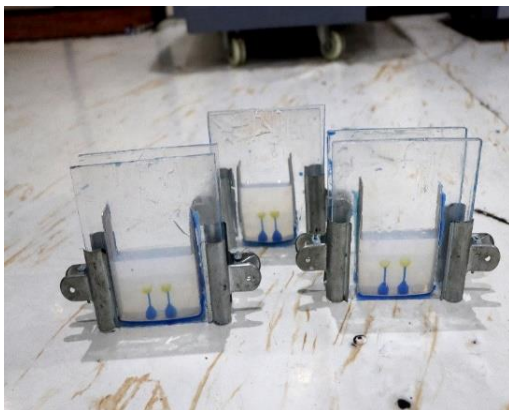
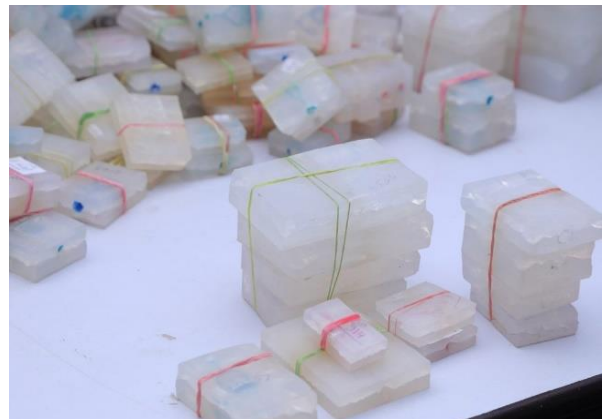




5. **Master Designing/CAM Filing:** Master Design/ CAM filing is the next step after converting the resin to a CAM model. Under CAM Filing, the excess resin (Plastic Materials) is being removed from the piece. The variety of tools like files and grinding motors are being utilized to remove resin/plastic layer and offering a smooth finish and weight in gold. Designs made in this way are called master design. A master design is made that is used to create similar jewellery through the casting process.



6. **Making of Rubber mould:** The next stage is the Rubber Mould stage which plays an integral role in the process of the production. The Rubber Mould helps in the creation of the multiple pieces of same designed jewellery. The best part of the rubber mould is that the designs remain safe, well protected and embedded within it and thus can be used to create replicas of the jewellery design in the future. The materials involved in the making of mould can vary from natural rubber, silicon to metal. The process of the mould making is labelled as 'Vulcanizing'.



7. **Waxing/Wax Tree:** The next stage involved in the jewellery manufacturing process is the production of wax pieces. The wax pieces are produced from rubber moulds made of cam master. The process of waxing involves placing the rubber mould on the clamps wax injector machine and then melted wax injected into the cavity in order to create wax models. These wax models are being used for casting.

The wax pieces on a wax stem are being soldered which is called 'treeing'. The treeing is the process where a sprue is attached to every wax piece, making an angle of approx. 45 degrees with the stem. The lighter items are placed at the top of the tree, while the heavier ones are placed at the bottom of the tree.



8. **Casting:** Moving on to the next step, the jewellery manufacturing process involves the stage of casting, which is regarded as among the most complex processes. The process of casting requires experienced and skilled casters. The entire process of casting involves placing the wax tree in a steel flask and then placing a slurry of chemical powder which takes around an hour to solidify. Afterwards, the flask is placed in an electric furnace to heat. As a result of which the wax melts and thus leaving a cavity of tree. After melting the wax, this flask is taken and placed in the casting machine. Gold prepared in a certain ratio is deposited into this machine and it is melted. The resulting molten metal is then poured in the flasks and is allowed to cool off. After, the molten metal is cooled, demolished and the jewellery in the form of casting is revealed.







9. **Grinding:** The grinding is the next stage involved in the process of jewellery manufacturing. The grinding involves the use of polisher which is used to grind off the nub (A nub is resulted after the process of casting; once the raw casting is clipped off from the casting tree and appears at the place where the sprue was attached with the gold piece). The polisher utilizes the motorized grinding machine to smoothen the surface of gold piece of the jewellery. The Grinding involves the final process of the polishing, which is carried out by holding the jewellery piece against the spinning grinding wheel and thus resulting a smooth surface as required.





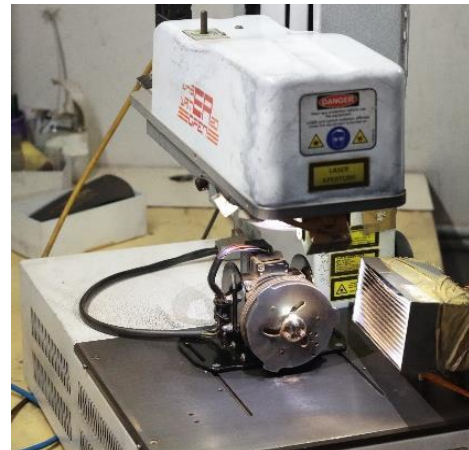
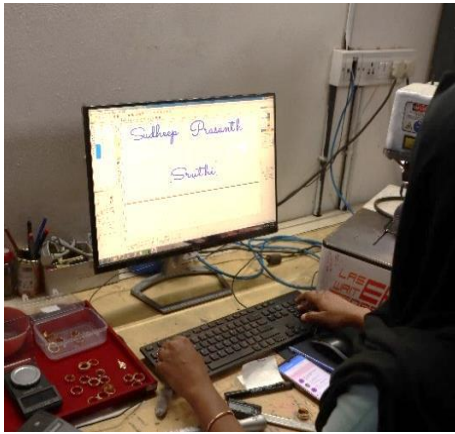
- 10. Filing/Assembly and Laser Soldering:** The Filing is the next stage involved in the process of the jewellery manufacturing. Under Filing, the excess metal or solder is being removed from the piece. The variety of tools like files and burs are being utilized to remove casting layer and offering a smooth finish. After filing, the task of assembling is carried out which is the process of joining two or more components of same design using soldering technique or laser technique.



- 11. Laser Cutting and Marking:** Laser cutting is a modern and innovative technique used to create intricate and precise designs. It involves using a high-powered laser to cut through metal, allowing for precise shaping and detailing.

Jewellery Laser Marking Machine has a non-contact engraving method and is needed for the jewellery making industry for creating the beautifully designed jewellery. The machine allows for flawless work and stay unaffected by the material hardness.





- 12. Metal Setting:** The metal setting is the next stage in the manufacturing of jewellery. The metal setting is the process of setting or attaching the cubic Zircon stone in the jewellery. The metal setting is varied in order to create different designs. Even the combination of different metal setting is used to give a captivating appearance to the jewellery piece. The metal setting is of various kinds as mentioned just above, and the long list of the setting includes prong, plate prong, pave, bezel, pressure, bead, flush, invisible, fishtail, miracle plate and channel.



- 13. Polishing:** The Polishing stage is the next stage where the polishing of the jewellery takes place. The polishing is done to ensure the better shine of the jewellery, which is carried out after setting of stones. The polishing can be carried out by both means; either manual or by two station polishing machine. The tools which help the craftsmen to polish the jewellery manually includes soft buff, solid buff, hair buff, single line ball buff, coin buff, platinum polishing rouse, red and green rouse (to impart shine), black lustre to remove casting or filling layers, and white lustre for the removal of roughness.



- 14. Electroplating:** Electroplating is a method to put a metal coating onto an object, in our case a piece of jewellery, by placing it in a solution containing the metal to be plated and passing an electrical current through the piece and the solution. It is possible to electroplate coatings of most pure metals.



- 15. Rhodium Plating/Enamel:** The Rhodium plating is the second last stage of the jewellery manufacturing. The Rhodium Plating involves the process of placing the Rhodium on a piece of jewellery. Rhodium is a sparkling white colored precious metal, which provides a better resistance to the jewellery against scratches and tarnish. The Rhodium is being placed on a yellow gold in order to create a visually appealing design and pattern, while the same is placed on a white gold to add whiteness to the gold (since the white gold is not so white in the pure form).

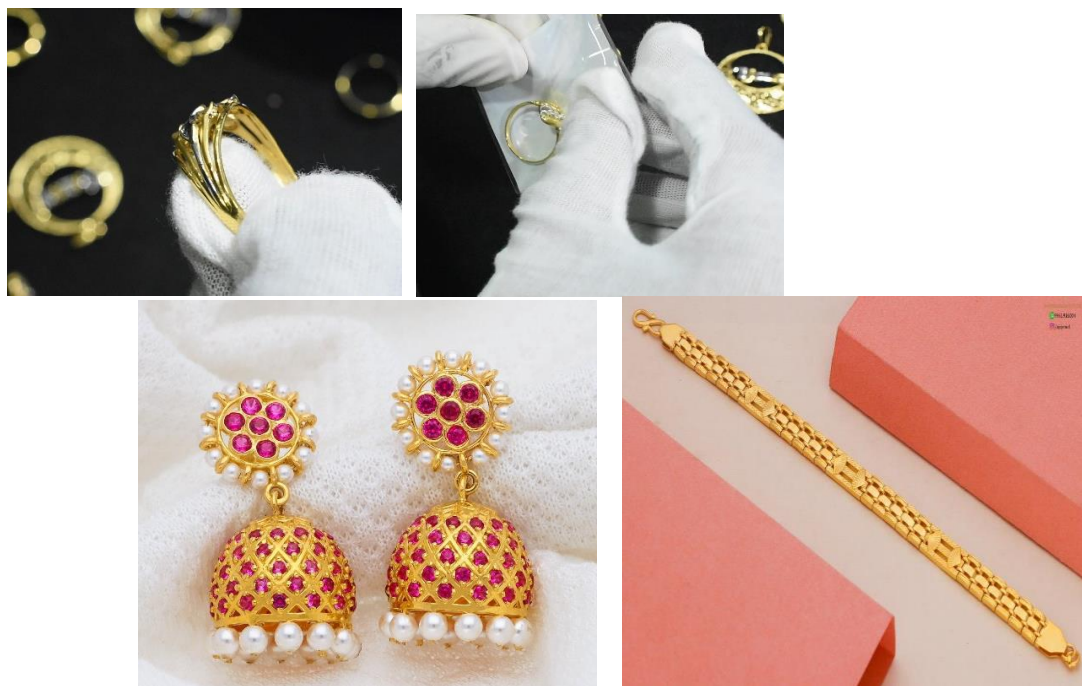
Enamel refers to a coating applied to the metal of a piece of jewellery. It is applied as a paste or powder and then heated to extremely high temperatures of more than 1500 degrees to fuse the metals with the powder, creating a colorful coating that would not be possible with metals alone.



- 16. Quality Control:** The final stage in the process of jewellery manufacturing is the quality control which is equally as important as other stages. The Quality control is the stage which ensures that the final manufactured product adheres to the defined set of quality guidelines and meets the standard requirements. The Quality control involves 3 methods which are measurement, visual inspection and mechanical inspection.







## PLANT AND MACHINERY

Following are the details of the key equipment being used for Manufacturing business in individual units:

| S.no. | Name of the Machinery                                   | Process for which it is used            | Capacity              | Quantity | Owned/Leased | Name of the vendor                  | Year of purchase |
|-------|---|---|-----------------------|----------|--------------|-------------------------------------|------------------|
| 1.    | Autoclamp Wax injector                                  | For injecting wax into moulds           | 4 Gram/Minute         | 1        | Owned        | Aurum Technical Solutions           | 2021             |
| 2.    | Photo Studio Machine V7                                 | For capturing jewellery photos          | NA                    | 1        |              | Magnic Technologies Private Limited | 2022             |
| 3.    | Laser Welding Machine Model No WS200B                   | To weld jewellery pieces                | 10 Spot / Minute      | 1        |              | Star Laser Technology               | 2020             |
| 4.    | Laser Cutting Machine (Tanishq Dolphin special 50 watt) | To cut gold sheets                      | 1 Millimeter / Minute | 1        |              | Dolphin Laser Technology            | 2021             |
| 5.    | Double station polishing with Dc (6*9)                  | For buffing of Jewellery pieces         | 600 Gram / Day        | 1        |              | Professional Engineering Works      | 2023             |
| 6.    | Ultrasonic cleaner Hand wash model                      | For cleaning jewellery                  | NA                    | 1        |              |                                     |                  |
| 7.    | Hand Wash with Two taps                                 | For recovering gold particle from water | NA                    | 1        |              |                                     |                  |
| 8.    | Ap 100 Airpurifier                                      | For recovering gold particle from air   | NA                    | 1        |              |                                     |                  |
| 9.    | Two Stn polishing machine with 1.5 hp DC (TP150)        | For buffing of Jewellery pieces         | 600 Gram / Day        | 1        |              | Well worth Engineering              | 2022             |
| 10.   | 3D Printer DLP  | To print master models in resins        | 1 Platform / 2 Hour   | 1        |              | Aurum Technical Solutions           | 2023             |
| 11.   | Core series 50 micron B9c core 550                      | To print master models in resins        | 1 Platform / 2 Hour   | 1        |              | Naybharat Carbon Company            | 2021             |

|     |   |   |                         |   |  |                                |      |
|-----|---|---|-------------------------|---|--|--------------------------------|------|
| 12. | Air circulation Burnout Electric furnace              | To burn out investment flask                          | 5 Kg/day                | 1 |  | Riddhi Heatron International   | 2023 |
| 13. | Melting machine Rod Type 2kg                          | To melt gold  | 4Kg/day                 | 1 |  | Aurum Technical Solutions      | 2021 |
| 14. | Instantaneous Gas GT 1000                             | For generating gold welding gas                       | NA                      | 1 |  |                                | 2023 |
| 15. | 2 in 1 Casting Machine                                | For gold casting                                      | 5 Kg/day                | 1 |  |                                | 2023 |
| 16. | Ultrasonic cleaner 12 ltr                             | To clean jewellery                                    | NA                      | 1 |  |                                | 2023 |
| 17. | Six Pass Wiredrawing Machine                          | To draw gold wire                                     | 100 Millimeter / Minute | 1 |  | Kalyan Engineering Corporation | 2020 |
| 18. | Bangles and rings Tube Drawing Machine Motor operated | To form gold tubes                                    | 100 Millimeter / Minute | 1 |  | Krishna Enterprise             | 2020 |
| 19. | Bangles and rings Tube Forming Die and spindle        | Tube forming dies                                     | 100 Millimeter / Minute | 1 |  |                                |      |
| 20. | Wax Injector  | To inject wax into moulds                             | 4 Gram / Minute         | 1 |  | Vismaya Gold                   | 2022 |
| 21. | Laser Engraving Machine - italian brand orotic        | To engrave designing/letters on jewellery surface     | 1 Millimeter / Minute   | 1 |  |                                |      |
| 22. | Single Station Buffing Machine                        | To buff gold jewellery                                | 300 Gram / Day          | 1 |  |                                |      |
| 23. | 3D Printer - b9 creat                                 | To print master models in resins                      | 1 Platform / 2 Hour     | 1 |  |                                |      |
| 24. | Casting Machine - Schultheiss VPC 040 POWER           | For casting gold                                      | 3 Kg / Day              | 1 |  |                                |      |
| 25. | Water Chiller   | For cooling water                                     | NA                      | 1 |  |                                |      |
| 26. | Burn out Farnace                                      | To burn out investment flask                          | 3 Kg / Day              | 1 |  |                                |      |
| 27. | Water jet   | To break investment flask                             | NA                      | 1 |  |                                |      |
| 28. | Valcunizar  | To vulcanize the rubber moulds                        | 4 Mold / 2 hour         |   |  |                                |      |
| 29. | Gas generator   | To generate gold wearing gas                          | NA                      | 1 |  |                                |      |
| 30. | Magnetic polisher                                     | To polish jewellery                                   | 1 Kg / Hour             | 1 |  |                                |      |
| 31. | Drum Polisher   | To polish jewellery                                   | 1 Kg / Hour             | 1 |  |                                |      |
| 32. | Steam Polisher  | To clean jewellery                                    | 1 Kg / Hour             | 1 |  |                                |      |
| 33. | Electroplating Rectifier                              | To plate yellow/rose colour on gold jewellery surface | 100 Gram / Hour         | 1 |  |                                |      |
| 34. | Sandblasting Machine                                  | To make jewellery surface mat finish                  | NA                      | 1 |  |                                |      |
| 35. | Enamel oven   | For curing enamel                                     | NA                      | 1 |  |                                |      |
| 36. | Wire Drawing Machine                                  | To draw gold wire                                     | 100 Millimeter / Minute | 1 |  |                                |      |
| 37. | Ultrasonic cleaner 25 ltr                             | To clean gold jewellery                               | NA                      | 1 |  | Aurum Technical Solutions      | 2021 |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated, April 28, 2025.

#### OUR REGISTERED OFFICE AND MANUFACTURING FACILITY

Our Company's Registered Office and Manufacturing Facility both are situated at 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India. For further details, kindly refer to the section titled "Our Properties" mentioned below.

Following are some pictures of areas covered in our Registered office and manufacturing facility:



**Aerial view of our registered office and manufacturing unit**



**Front view of our registered office and manufacturing unit**



**Reception Area****Employees working in the office area  
Workers working at Manufacturing unit****CAPACITY AND CAPACITY UTILISATION**

Installed & Capacity utilization details of our production facility for the period ended December 31, 2024 and Financial years ended on March 31, 2024, 2023 and 2022 are entailed below:



| Sr. No. | Year                     | Installed Capacity in Kilogram per Annum | Actual Capacity in Kilogram per Annum | % of Utilization Rate |
|---------|--------------------------|--|---------------------------------------|-----------------------|
| 1.      | April 2021-March 2022    | 350 Kg                                   | 260 Kg                                | 74%                   |
| 2.      | April 2022-March 2023    | 600 Kg                                   | 330 Kg                                | 55%                   |
| 3.      | April 2023-March 2024    | 700 Kg                                   | 440 Kg                                | 63%                   |
| 4.      | April 2024-December 2024 | 525 Kg                                   | 310 Kg                                | 59%                   |

**Note:**

Information regarding production output included in this report is based on information provided by the company and hence certain assumptions are made.

The above information is certified by chartered engineer, Shajitha A. P. vide their certificate dated January 17, 2025

**PRICING**

We determine the prices for our products based on various parameters including designs, weight of item, labour and manufacturing wastage. According to the complexity of designs the price of product will increase. Some product require more labour effort to finish, so it will reflect in prices. When manufacturing some items like named products, very light weight item, the manufacturing lose will be more than compared to other normal item. So, it will also be reflected in final pricing.

**RAW MATERIAL PROCUREMENT**

Our Main raw materials are 24k standard gold bullion, used gold, CZ stone and consumables which are consumed in manufacturing process.

We procure standard gold bullion from DGFT nominated agencies (in our cases Axis Bank and HDFC Bank) and other bullion dealers. We also procure used gold from common people. We procure standard gold from nominated agencies at a premium added rate over spot gold rate. We negotiate with nominated agencies for a low premium at the time of purchase intend placing. On the other hand, when procuring from other bullion dealers, the rate is fixed by mutual negotiation. We have multiple suppliers for rate comparison. For all other consumables, we have multiple vendors from different states.

**Procurement Process from DGFT-Nominated Agencies:**

The procurement process from DGFT-nominated agencies is a structured and efficient method to obtain raw materials essential for operations. Below is a detailed overview of the key steps involved:



### 1. Indent Request Submission:

The procurement process begins with submitting an Indent Request. This document outlines the specific quantities. It is essential to ensure that the quantities mentioned in the indent are intended to be utilized within one month. This time frame is critical for maintaining inventory efficiency and operational continuity.

### 2. Draw Down Request:

Once the indent is approved, the next step occurs when raw materials are needed. At this stage, a Draw Down Request is submitted. This request details the specific materials required from the approved indent and prompts action from the financial institution.

### 3. Confirmation from Bank:

Following the submission of the Draw Down Request, confirmation is obtained from Bank. This confirmation is crucial as it ensures that the necessary funds are available and ready for the procurement process. The bank's approval is a key step that facilitates the subsequent stages of the procurement.

### 4. Material Availability at the Vault:

Upon receiving confirmation from Bank, the raw materials are made available at the designated vault.

### 5. Collection by Delivery Partners:

After the materials are confirmed to be available, our delivery partners, typically a courier agency, are responsible for collecting the raw materials from the vault. This step ensures timely transportation of the materials to the designated location.

### 6. Documentation:

The entire procurement process is streamlined through net banking or via formal communication in a mail format. This ensures that all transactions and communications are documented properly for future reference.

### **Procurement Process from bullion dealer:**

The procurement process from bullion dealers involves direct communication to identify raw material needs, followed by a phone call to negotiate pricing. Once an agreement is reached, we confirm the order and coordinate delivery through our courier partners. Upon receipt, the materials are inspected to ensure they meet our quality and quantity standards. This streamlined approach ensures timely procurement while optimizing costs.

#### **1. Following is our detailed raw material bifurcation on the basis of domestic source and imports as per Audited Financial Statements:**

(₹ in lakhs)

| Particulars     | For the period ended December 31, 2024 |                                     | For the year ended March 31, 2024 |                                     | For the year ended March 31, 2023 |                                     | For the year ended March 31, 2022 |                                     |
|-----------------|--|-------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|
|                 | Purchase of Raw Material               | % of total Purchase of Raw Material | Purchase of Raw Material          | % of total Purchase of Raw Material | Purchase of Raw Material          | % of total Purchase of Raw Material | Purchase of Raw Material          | % of total Purchase of Raw Material |
| Domestic Source | 16,624.73                              | 100.00%                             | 23,489.56                         | 100.00%                             | 20,129.73                         | 100.00%                             | 11,586.34                         | 100.00%                             |
| Imports         | -                                      | -                                   | -                                 | -                                   | -                                 | -                                   | -                                 | -                                   |
| <b>Total</b>    | <b>16624.73</b>                        | <b>100.00%</b>                      | <b>23,489.56</b>                  | <b>100%</b>                         | <b>20,129.73</b>                  | <b>100%</b>                         | <b>11,586.34</b>                  | <b>100%</b>                         |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.

#### **2. Following is the State-Wise Domestic Purchase Bifurcation for the period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per Audited Financial Statements:**

(₹ in lakhs)

| Region        | For the period ended December 31, 2024 |                                | FY 2023-24          |                                | FY 2022-23          |                                | FY 2021-22          |                                |
|---------------|--|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
|               | Turnover (Domestic)                    | % to total turnover (Domestic) | Turnover (Domestic) | % to total turnover (Domestic) | Turnover (Domestic) | % to total turnover (Domestic) | Turnover (Domestic) | % to total turnover (Domestic) |
| Kerala        | 12,978.52                              | 78.06%                         | 13,924.01           | 59.27%                         | 19,455.44           | 96.65%                         | 11,536.70           | 99.57%                         |
| Tamil Nadu    | 3,061.78                               | 18.14%                         | 8,516.66            | 36.25%                         | 102.16              | 0.50%                          | 33.90               | 0.29%                          |
| Karnataka     | 572.12                                 | 3.44%                          | 888.39              | 3.78%                          | 538.34              | 2.67%                          | 0.55                | 0.00%                          |
| Maharashtra   | 57.00                                  | 0.34%                          | 144.79              | 0.61%                          | 20.75               | 0.10%                          | 14.44               | 0.12%                          |
| Uttar Pradesh | -                                      | -                              | 10.81               | 0.04%                          | 0.74                | 0.00%                          | 0.01                | 0.00%                          |
| Gujarat       | 0.31                                   | 0.00%                          | 0.85                | 0.00%                          | 0.91                | 0.00%                          | 0.20                | 0.00%                          |
| Rajasthan     | -                                      | -                              | 0.63                | 0.00%                          | 0.93                | 0.00%                          | 0.26                | 0.00%                          |
| Telangana     | -                                      | -                              | 3.43                | 0.01%                          | 10.29               | 0.05%                          | 0.27                | 0.00%                          |
| Delhi         | -                                      | -                              | -                   | -                              | 0.18                | 0.00%                          | -                   | -                              |
| Haryana       | -                                      | -                              | -                   | -                              | -                   | -                              | 0.01                | 0.00%                          |
| <b>Total</b>  | <b>16,624.73</b>                       | <b>100.00%</b>                 | <b>23,489.57</b>    | <b>100.00%</b>                 | <b>20,129.74</b>    | <b>100.00%</b>                 | <b>11,586.34</b>    | <b>100.00%</b>                 |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.

**3. The following table illustrates the concentration of our revenues among our top Suppliers as per Audited Financial Statements:**

(₹ in lakhs)

| Particulars      | For the period ended December 31, 2024 |                     | For the year ended March 31, 2024 |                     | For the year ended March 31, 2023 |                     | For the year ended March 31, 2022 |                     |
|------------------|--|---------------------|-----------------------------------|---------------------|-----------------------------------|---------------------|-----------------------------------|---------------------|
|                  | Amount                                 | % of total Purchase | Amount                            | % of total Purchase | Amount                            | % of total Purchase | Amount                            | % of total Purchase |
| Top 5 Suppliers  | 12,437.50                              | 74.81%              | 19,406.57                         | 82.26%              | 16,432.10                         | 81.63%              | 10,483.93                         | 90.49%              |
| Top 10 Suppliers | 14,787.65                              | 88.95%              | 21,007.28                         | 89.44%              | 18,110.63                         | 89.96%              | 11,023.33                         | 95.15%              |

\* As certified by M/s. Kumar & Biju Associates LLP, Chartered Accountants through their certificate dated April 28 2025.

**4. List of top ten suppliers for the period ended December 31, 2024 and for the financial year ended March 31, 2024, 2023 and 2022 as per Audited Financial Statements:**

| For the period ended December 31, 2024 |                     |                     |
|--|---------------------|---------------------|
| Suppliers                              | Amount (₹ in lakhs) | % of total purchase |
| Supplier 1                             | 3,492.58            | 21.01%              |
| Supplier 2                             | 2,902.84            | 17.46%              |
| Supplier 3                             | 2,735.07            | 16.45%              |
| Supplier 4                             | 1,854.90            | 11.16%              |
| Supplier 5                             | 1,452.10            | 8.73%               |
| Supplier 6                             | 983.99              | 5.92%               |
| Supplier 7                             | 572.12              | 3.44%               |
| Supplier 8                             | 334.41              | 2.01%               |
| Supplier 9                             | 264.96              | 1.59%               |
| Supplier 10                            | 194.67              | 1.17%               |

| March 31, 2024 |                     |                     |
|----------------|---------------------|---------------------|
| Suppliers      | Amount (₹ in lakhs) | % of total purchase |
| Supplier 1     | 8,446.85            | 35.96%              |
| Supplier 2     | 5,855.16            | 24.93%              |
| Supplier 3     | 2,350.16            | 10.01%              |
| Supplier 4     | 1,869.75            | 7.96%               |

|             |        |       |
|-------------|--------|-------|
| Supplier 5  | 884.65 | 3.77% |
| Supplier 6  | 488.43 | 2.08% |
| Supplier 7  | 322.59 | 1.37% |
| Supplier 8  | 279.07 | 1.19% |
| Supplier 9  | 263.09 | 1.12% |
| Supplier 10 | 247.54 | 1.05% |

| March 31, 2023 |                     |                     |
|----------------|---------------------|---------------------|
| Suppliers      | Amount (₹ in lakhs) | % of total purchase |
| Supplier 1     | 6,252.08            | 31.06%              |
| Supplier 2     | 5,708.29            | 28.36%              |
| Supplier 3     | 2,622.86            | 13.03%              |
| Supplier 4     | 1,329.54            | 6.60%               |
| Supplier 5     | 519.34              | 2.58%               |
| Supplier 6     | 474.05              | 2.35%               |
| Supplier 7     | 469.30              | 2.33%               |
| Supplier 8     | 296.24              | 1.47%               |
| Supplier 9     | 227.16              | 1.13%               |
| Supplier 10    | 211.78              | 1.05%               |

| March 31, 2022 |                     |                     |
|----------------|---------------------|---------------------|
| Suppliers      | Amount (₹ in lakhs) | % of total purchase |
| Supplier 1     | 7,373.88            | 63.64%              |
| Supplier 2     | 1,222.95            | 10.56%              |
| Supplier 3     | 765.00              | 6.60%               |
| Supplier 4     | 618.31              | 5.34%               |
| Supplier 5     | 503.80              | 4.35%               |
| Supplier 6     | 225.28              | 1.94%               |
| Supplier 7     | 133.95              | 1.16%               |
| Supplier 8     | 71.93               | 0.62%               |
| Supplier 9     | 66.67               | 0.58%               |
| Supplier 10    | 41.57               | 0.36%               |

*\* As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated April 28, 2025.*

## UTILITIES

Our Registered Office and Manufacturing Facility both are located in Malappuram, Kerela. They are well equipped with computer systems, internet connectivity, other communication equipment and other facilities which are required for our Business Operations to function smoothly. Our Registered Office and Manufacturing Facility are well equipped with requisite utilities and facilities including the following:

### Power

Our manufacturing process requires uninterrupted supply of Electricity & Gas in our manufacturing facility. We consume a substantial amount of power and fuel for our Business Operations. Our power requirements are met through local authorities, Kerala State Electricity Board, both at our manufacturing facility and registered office and the same is sufficient for our day-to-day functioning. To meet exigencies in case of power failure, we have also installed Deisel Generator sets at our manufacturing facility.

### Water

To meet drinking and sanitary water requirements we utilise water supply from Inkel Limited having its office situated at Ernakulam Kerela for both our Registered Office as well as Manufacturing Facility.

## CUSTOMERS, SALES AND MARKETING

Our one of the Promoter Mr. Ashraf P. has been instrumental in our marketing process since the date of the inception of manufacturing of the gold jewellerys, due to the long-term relationships maintained by them and the same is regularly

maintained by our marketing team which caters to our ongoing relationship with our dealers and customers. Currently, we cater to a large number of wholesalers, showrooms, small jewellery shops and local dealers who buy our products in bulk quantities. Our business is based on B2B model and our marketing strategy includes participation in jewellery exhibitions. Our team keeps in regular contact with our existing and prospective customers by providing them with the structured findings and updated catalogues. We take an initiative to meet our customers and dealers personally by showcasing our designs and innovation in each of the type of products which enhances the trust and confidence in us.

Our sales team maintains constant contact with our clients and communicates with them to obtain feedback on our products and designs. The sales team also regularly approaches new clients to learn more about them and to build relationships. Additionally, our sales team directly sells the finished jewellery to other jewellery dealers.

Being a manufacturer, wholesaler and supplier in the Jewellery industry, the primary factors considered in marketing is creating our customer's confidence by providing them quality jewellery as per their needs and requirement, offering reasonable pricing for our products, timely and reliable delivery of our products together with the level and quality of customer service. We offer a wide range of products from gold jewellery for special occasions such as weddings and festivals to daily wear jewellery for all ages, genders and across various price points.

## **LOGISTICS**

Our suppliers directly deliver raw materials to our manufacturing facility. Generally, the Local Dealers and Customers collect the finished products from our manufacturing unit and for the exports of the products, we instruct the delivery companies to collect products from specified locations and deliver to our dealers in accordance with their orders.

## **COMPETITION**

We face significant competition from large manufacturers and traders, especially in the southern part of India. Further, as we have recently begun export activities, we also face competition from international manufacturers and traders. We compete with them by providing high quality products with lower rejection ratio and better delivery timeline. However, we believe that there are significant barriers to entry in the business of manufacturing jewellery in Southern parts of India. Among the most important of these barriers is the need for significant working capital to purchase gold, the long-term relationships required to have access to adequate supplies, the limited number of persons with the skills necessary to manufacture high quality jewellery. We believe that we are well-positioned to compete with both organised and unorganised jewellery companies given our localization strategy where we tap into local trends and preferences.

## **INFORMATION TECHNOLOGY**

We believe that an appropriate Information Technology Infrastructure is important in order to support the growth of our Business. Our manufacturing facility is connected to our central IT network that facilitates monitoring of our Operations and Management of supply chain.

Our Company uses CAD software for designing the Jewellery as per customer specification. A team of CAD designers are there who are specializes in the designing and give us the best designed pieces very smoothly and efficiently. The CAD Software is a 2D and 3D computer-aided software often used by designers which improves the dimensional accuracy and quality of the design.

We use a software for managing our orders namely Order Management System. This is not a common software available in market. This is specially we developed with freelance software developers as according to our requirement. This is an online software having separate login portal for our customers, sales staffs, supervisors, workers, and quality checkers. We provide login ID to our customers and they can login into their portal and choose the design from listed designs or they can customize the design by uploading any reference photos or writing their requirement. When customers place the orders through their portal, our backend order controlling team will get notification. Then they will check and confirm the order then it will be assigned to first worker as its nature. All workers have android device for accepting and viewing their orders. Workers will finish the orders as per customers notes and forward to next department/ stage of production. Finally, quality checker will verify and finish the process.

Customers can view the status of their order through their portal. Also, we can analysis the workers performance through this software. We can compare and analysis that which design is moving fastly and which is getting more number orders. This helps us to continuously consolidate workloads, maximise server utilization and decrease operational costs, this also helps us to keep us ahead in the competition with a systematic review our processes with the help of an in-build application system taking the help of an information technology.

## **QUALITY CONTROL**



Quality is a cornerstone of our Company's Business Operations. The company follows stringent quality control procedures, leaving no room for compromise. Every Product is rigorously inspected to ensure it meets or exceeds the highest industry standards.

Our Company is renowned for its Quality and Reliability. The Company Manufactures jewellerys like Plain Gold Jewellery, studded Gold Jewellery and named Gold Jewellery. The company has a fully equipped factory with latest equipment to produce gold ornaments of highest standards. This has enabled standardization and selecting quality system, the Company has been covered under IS 1417:2016.

We believe our long-term success depends on our ability to deliver excellence in both perceived and realized value of our products and services to our customers. In our culture, "Quality in everything we do" is the only acceptable behaviour. We recognize that quality is a never-ending process of improvement and our focus is directed towards achieving and exceeding customer expectations and conformance to their changing requirements.

We have implemented quality control practices across the value chain to ensure that we sell gold jewellery in line with the quality and purity metrics as prescribed by our dealers. Various quality control practices are followed from the time of receiving the gold bullion to manufacturing of the final product, at each stage of the process, supervision of the quality metrics is taken care of. Our QC / QA team comprises of 4 dedicated personnel who are responsible detailed product, including its design, polishing, size and purity, all our products are checked by our in-house quality officer as well as well the authorized BIS experts. Once the product is manufactured, they are delivered to the customers only after the thorough checking of quality supervisor. We believe, strong customer relationships, drive sales, sustainability and growth.

## ENVIRONMENT, HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see "Key Industry Regulations and Policies" beginning on page 189 of this Draft Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see "Government and Other Approvals" beginning on page 289 of this Draft Red Herring Prospectus.

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. We believe that a well-trained, motivated and satisfied employee base is key to our competitive advantage. We believe that we have a qualified and experienced employee base, managed by Medium and Senior Management Personnel.

As on February 28, 2025, we have employed 67 personnel at our Manufacturing Plant and Registered Office. The permanent employees at our Manufacturing Unit include personnel in manufacturing activities such as machine operations, assembling, maintenance & electrical and testing of products, quality assurance, and receipt and dispatch of materials. The following table sets forth a breakdown of our permanent employees by function as on the date of February 28, 2025:

| Sr. no       | Category                | No of Employees |
|--------------|-------------------------|-----------------|
| 1.           | Accounts & Finance      | 3               |
| 2.           | Designing (CAD & CAM)   | 6               |
| 3.           | Production              | 33              |
| 4.           | Office & Administration | 9               |
| 5.           | Secretarial             | 1               |
| 6.           | HR Department           | 2               |
| 7.           | Order Department        | 5               |
| 8.           | Sales & Marketing       | 5               |
| 9.           | Purchase                | 3               |
| <b>Total</b> |                         | <b>67</b>       |

The following table sets forth attrition rates of our employees for the periods/years indicated:

| Attrition Rate <sup>(1)</sup>                   | For the period ended February 28, 2025* | Financial 2023-2024 |
|---|---|---------------------|
| Attrition Rate (%)#                             | 57.67%                                  | 44.68%              |
| No. of employees who resigned during the period | 47                                      | 42                  |

<sup>(1)</sup>Calculated as the number of employees that left during a period over the average number of employees for the period. The average number of employees for a period is calculated as the average of the number of employees at the beginning of the period and the number of employees at the end of the period.

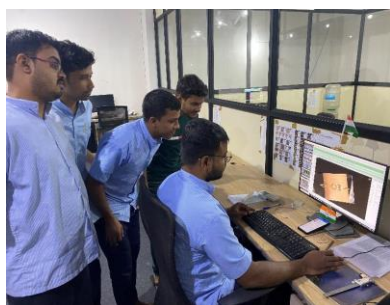
\*Kindly note that list of employees is provided as at February 28, 2025, hence, the attrition period is also taken as February 28, 2025.

#Kindly note that the percentage of attrition rate include the KMP as well as SMP of our company.

### Training to the Employees:

As part of our commitment to ensuring quality craftsmanship, innovation and adherence to industry standards, we have conducted comprehensive training programs for employees in the Gold Jewellery Production and Designing departments. These training initiatives aim to enhance technical skills, improve design proficiency, and ensure compliance with safety and quality standards. The training provided to Gold Production and Designing employees has significantly contributed to skill development, product innovation, and quality enhancement. The structured training approach ensures that our workforce remains proficient, competitive, and aligned with industry advancements. Continuous learning and periodic refresher courses are planned to sustain and enhance these competencies.

- Some of the pictures of such training are provided below:



### Details of Employees' Provident Fund and Employees State Insurance Corporation as on February 28, 2025:

| Particulars                           | Number of employees registered | Amount paid (₹ in lakhs) |
|---------------------------------------|--------------------------------|--------------------------|
| Employees' Provident Fund             | 2                              | 1.08                     |
| Employees State Insurance Corporation | 20                             | 2.05                     |

As certified by M/s Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated, April 28, 2025.

We seek to maintain a performance-based work culture on values of development and collaboration. The key elements driving our practices include customer focus, process orientation, people focus, drive for results, business acumen and communication. Our employees are not part of any union, and we have not experienced any work stoppages due to labour disputes or cessation of work in the recent past.

### EXPORT AND EXPORT OBLIGATIONS

As on date of this Draft Red Herring Prospectus, our Company does not have any export and export obligations.

## COLLABORATION

As on date of this Draft Red Herring Prospectus, our Company has not entered into any Technical or Financial Collaboration Agreements.

## INSURANCE

Our operations are subject to various risks inherent in our Industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events regarding any property. The insurance policy is renewed periodically to ensure that the coverage is adequate.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such Insurance Companies. Our policy is subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policy.

| Sr. No. | Name of the Insurance Company    | Type of Policy               | Validity Period up to  | Policy No.           | Sum Insured (₹ Lakhs) in | Premium (₹ in Lakhs) |
|---------|----------------------------------|------------------------------|--|----------------------|--------------------------|----------------------|
| 1.      | The New India Assurance Co. Ltd  | Jewellers Block Insurance    | From: 26/11/2024<br>Time: 12:00:01 AM To<br>25/11/2025 11:59:59 PM | 76160046240700000003 | 2505.00                  | 1.69                 |
| 2.      | The New India Assurance Co. Ltd. | Fidelity Guarantee Insurance | From: 26/11/2024<br>Time: 12:00:01 AM To<br>25/11/2025 11:59:59 PM | 76160046240800000001 | 800                      | 0.47                 |

## PROPERTIES


### Lease Properties:

| Date of Lease Agreement | Lessor                       | Area of the Property (In sq. ft.) | Address   | Period of Lease | Rent  | Purpose  |
|-------------------------|------------------------------|-----------------------------------|---|-----------------|---|--|
| October 19, 2023        | INKEL-KSIDC Projects Limited | 21,780.76 Sq. ft.                 | 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India, | 82 years        | ₹ 20 per cent per annum subject to an annual increase of 6 % payable in advance on or before 30 <sup>th</sup> April of every year for that financial year | Registered office address/<br>Manufacturing Unit |

The Lessor of our Registered Office and Manufacturing Facility is not related to our Company, our Promoters or to our Promoter Group, hence, INKEL-KSIDC Projects Limited is not a related party to our Company.

## INTELLECTUAL PROPERTY

For further details please see the chapter titled “Government and Other Approvals” on page 289 of this Draft Red Herring Prospectus.

| Sr. No . | Brand Name/Logo Trademark   | Class    | Nature of Trademark and application/registration number                  | Owner                      | Date of Registration/ Application & Validity | Authority            | Status               |
|----------|---|----------|--|----------------------------|--|----------------------|----------------------|
| 1.       |  | Class:14 | Nature of Trademark: Device - “AJC JEWEL”<br>Application Number: 6516066 | AJC Jewels Private Limited | Date of Application: July 08, 2024           | Trade Marks Registry | Formality Check pass |
| 2.       |   | Class:35 | Nature of Trademark: Device -“AJC JEWEL”<br>Application Number: 6516065  |                            |  |                      |                      |

#### Domain Name

| S. No | Domain Name and ID | Sponsoring Registrar and ID                    | Registrant Name, ID and Address                       | Creation Date | Registry Expiry Date |
|-------|--------------------|--|---|---------------|----------------------|
| 1.    | ajcjewel.com       | Registry Domain ID: 2703706062_DOMAIN_COM-VRSN | Registrar: GoDaddy.com, LLC<br>Registrar IANA ID: 146 | June 14, 2022 | June 14, 2034        |

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 289 of this Draft Red Herring Prospectus.*

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS:

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### TAX RELATED REGULATIONS

#### Income Tax Act, 1961

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

#### Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

#### Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance

### **State Tax on Profession, Trades, Callings and Employment Rules, 1975**

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

## **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

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

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

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

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

### **Reserve Bank of India Circulars regulating Gold Loans**

The RBI has permitted nominated banks to import gold for the purpose of extending gold metal loans to domestic jewellery manufacturers, subject to certain conditions, including that the tenor of gold loans (which can be decided by the nominated banks) does not exceed 180 days from the date of procurement of the gold and the interest charged to the borrowers is linked to international gold rates. Gems and jewellery export-oriented units and specified units in Special Economic Zones are permitted to import gold on a loan basis directly or through nominating agencies, subject to specified conditions. The Master Circular of RBI on Loans and Advances – Statutory and Other Restrictions dated July 1, 2015 prohibits domestic jewellery manufacturers from selling the gold borrowed under this scheme to any other party for manufacture of jewellery.

### **Bureau of Indian Standards Act, 2016 (the “BIS Act”)**

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS’s ambit and allows Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard mark.

### **Bureau of Indian Standards (Hallmarking) Regulations, 2018 (“BIS Hallmarking Regulations”)**

The BIS Hallmarking Regulations prescribe that all jewellery manufacturers must obtain a certificate of registration from the BIS in order to sell precious metal articles notified under the BIS Act. The certificate of registration shall be granted to a specific premise and will be valid for a period of five years. The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, as amended, which came into effect on June 16, 2021, prescribes that gold jewellery and gold artefacts notified to be marked with hallmark in the notification of the Government of India, Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs number S.O. 2421(E), dated June 14, 2018, shall be sold only by registered jewellers through certified sales outlets, after fulfilling the terms and conditions of certificate of registration as specified in the BIS Hallmarking Regulations. However, certain precious metal articles are excluded from the above order, including any article meant for export, which conforms to any specification required by the foreign buyer, any article of gold thread and any article with weight less than two grams.

### **BIS Scheme for hallmarking of Gold and Silver Jewellery**

The BIS hallmark is a hallmarking system for gold as well as silver jewellery sold in India certifying the purity of the metal. It certifies that the piece of jewellery conforms to a set of standards laid by the Bureau of Indian Standards, the national standards organization of India. India is the second biggest market for gold and its jewellery. The BIS system of hallmarking of gold jewellery began in April 2000. The standard specifications governing this system are IS 1417 (Grades of Gold and

Gold Alloys, Jewellery/Artefacts), IS 1418 (Assaying of Gold in Gold Bullion, Gold alloys and Gold Jewellery/Artefacts), IS 2790 (Guidelines for Manufacture of 23, 22, 21, 20, 19, 18, 17, 16, 14 and 9 carat Gold Alloys), IS 3095 (Gold solders for use in manufacture of jewellery). BIS introduced hallmarking for silver jewellery in December 2005 under IS 2112, the standard specification for 'Hallmarking of Silver Jewellery/Artefacts'.

### **Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020 (“Order”) and Bureau of Indian Standards Act, 2016 and the Bureau of Indian Standards (Hallmarking) Regulations, 2018**

In accordance with the hallmarking of Gold Jewellery and gold artefacts Order, 2020, as amended, no person shall, after March 31, 2023, sell or display or offer to sell any Gold jewellery or Gold Artefacts unless it is hallmarked in accordance with the standards specified in IS 1417:2016, as amended. Any person who contravenes the provisions of this Order is liable to be punished under the provisions of the Bureau of Indian Standards Act, 2016. The Bureau of Indian Standards (Hallmarking) Regulations, 2018 prescribe that all jewellery manufacturers must obtain a certificate of registration from the Bureau of Indian Standards in order to sell precious metal articles notified under the BIS Act. The certificate of registration shall be granted to specific premises and will be valid for a lifetime.

Circular No. 9/2022-Customs on the Simplified regulatory framework for e-commerce exports of Jewellery through Courier mode as amended by Circular 17 of 2023 dated June 12, 2023

The circular dated June 30, 2022 (“CBIC Circular”) issued by the Department of Revenue of the Central Board of Indirect Taxes & Customs (“CBIC”), lays down the standard operating procedure to be followed on export of jewellery through e-commerce. The CBIC Circular mandates the authorized courier to electronically file courier shipping bill on behalf of the exporter on the express cargo clearance systems and electronic payment for such exports to be made in advance and establishes criteria for customs assessment and examination. Further, the CBIC Circular lays down the procedure on re-import of returned jewellery items.

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

Legal Metrology Act, 2009 was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. This act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, with effect from March 1, 2011.

### **Legal Metrology (Packaged Commodities) Amendment Rules, 2017 (“Packaged Commodity Rules”)**

The Packaged Commodity Rules have amended the Legal metrology (Packaged Commodities) Rules, 2011, and lays down specific provisions applicable to packages intended for retail sale, whole-sale and for export and import. Pursuant to the packaged Commodity Rules, any pre-packaged commodity sold for use and consumption by the citizens must properly mention several details such as, the description and quantity of ingredients, date of manufacturing, date of expiry (for items prone to expiration), weight, statutory warnings, manufacturer address, contact and some other info like consumer care details, country of origin, etc.

### **Payment and Settlements Systems Act, 2007**

The Payment and Settlement Systems Act 2007, set up by the Reserve Bank of India (RBI), provides for the regulation and supervision of payment systems in India and designates the apex institution (RBI) as the authority for that purpose and all related matters with the objectives of promoting safety and efficiency by monitoring existing and planned systems, assessing them against these objectives and, where necessary, inducing change. By overseeing payment and settlement systems, RBI helps to maintain systemic stability and reduce systemic risk, and to maintain public confidence in payment and settlement systems. The Payment and Settlement Systems Act, 2007 and the Payment and Settlement Systems Regulations, 2008 framed thereunder, provide the necessary statutory backing to the Reserve Bank of India for undertaking the oversight function over the payment and settlement systems in the country.

### **Prevention of Money Laundering Act, 2002**

An Act to prevent money-laundering and to provide for confiscation of property derived from, or involved in, money-laundering and for matters connected therewith or incidental thereto.

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimize the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe heavens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

Most fundamentally, money laundering is inextricably linked to the underlying criminal activity that generates it. In essence, the laundering enables criminal activity to continue. Offence of money-laundering is punishable with rigorous imprisonment for a period of not less than three years but may extend to seven years and with fine up to five lakh rupees

## **ENVIRONMENT LAWS:**



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

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

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

### **Environment (Protection) Act, 1986 as amended (“EPA”)**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

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

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **The Air (Prevention & Control of Pollution) Act, 1981(the “Air Act”)**

One Central Pollution Control Board, as well as state pollution control boards formed under water act shall be deemed to be Central Board & State Board for the Prevention and Control of air Pollution. The Air Act prohibits that no person operating any industrial plant, in any air pollution control area shall discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **Environment Impact Assessment Notification of 2006**

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes,



press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued. The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>. Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

### **Laws related to Overseas Investment by Indian Entities:**

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in supression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI have vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

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

The FTDRA 1992 seeks to develop and regulate foreign trade by facilitating imports into and augmenting exports from India. The FTDRA 1992 prohibits a person or company from making any exports or imports unless such a person or company has been granted an importer-exporter code number.

### **Foreign Trade Policy 2023**

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

### **The Factories Act, 1948**

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

**Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

**Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

**Employees Deposit Linked Insurance Scheme (EDLI)**

The Employees Deposit Linked Insurance Scheme or EDLI is an insurance cover provided by the EPFO (Employees Provident Fund Organisation) for private sector salaried employees who are members of EPFO. The EDLI scheme was launched in 1976. The registered nominee receives a lump-sum payment in the event of the death of the person insured (employee) during the period of the service

**Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

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

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

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

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

**The Industrial Relations Code, 2020 ("Industrial Code")**

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further

requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- Apprentices Act, 1961

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Copyright Act, 1957 (“Copyright Act”)**

Artistic works and various rights including ownership and economic rights are conferred on the author and are protected under Copyright Act, 1957. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

**The Designs Act:** The Design Act came into effect on 25th May 2000. The act is built on a first-to-file, first-to-get approach, which means that the inventor or developer of a design should file a registration application as soon as possible to prevent others from claiming rights to that design. Its major goal is to prevent innovative or original designs from being copied and causing financial harm to the owner.

Requirements under the design act:

- The design under it should be novel and original- If a design has been previously registered under the act, it will not be valid for registration again. It should possess a unique and distinctive quality.
- A prior publication is off-limits- There should have been no other such design that had already been exposed and revealed to the public before.
- Morality- The design should not be opposed to the morals of the law or the society.
- Application- An application must be made for the said design for its final publication as the first step of registration.

## **OTHER GENERAL RULES AND REGULATIONS:**

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries

(Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

#### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

#### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

#### **OTHER REGULATIONS:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996, The Insolvency & Bankruptcy Code, 2016 are also applicable to the company.

#### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

## HISTORY AND CERTAIN CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated under the name “*Pheonix Gold Castings Private Limited*” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated March 23, 2018, issued by the Deputy Registrar of Companies, For and on behalf of the Jurisdictional Registrar of Companies, Central Registration Centre. Further the name of the Company was changed to “*AJC Jewel Manufacturers Private Limited*” vide Certificate of Incorporation dated May 14, 2020 by Registrar of Companies - Ernakulam. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “*AJC Jewel Manufacturers Limited*” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on August 05, 2024. The fresh certificate of incorporation consequent to conversion was issued on September 24, 2024, by Centralised Processing Centre. The Corporate Identification Number of our Company is U93090KL2018PLC052621.

Mr. Ashraf P and Mr. Kunhimohamed P were the initial subscribers to the Memorandum of Association of our Company. Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekattu are the current promoters of our Company. For further details of our promoters please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 218 of this Draft Red Herring Prospectus.

Our Company is primarily engaged in the business of manufacturing and designing the wide range of wholesale Gold Jewellery which includes plain gold, studded and named jewellery available in 22 Karat and 18Karat. Our Company manufactures the finished gold jewellery from the raw gold i.e. bullions and required consumables and sell it to dealers, showrooms, corporates and small jewellery shops in the wholesale quantities. We provide an extensive range of jewellery designs of plain gold, rose gold, the jewellery studded with Cubic Zircon and / or coloured stones and named jewellery customized and designed in detail, keeping in mind the customer’s unique preferences and requirements. Our Company manufactures jewellery for three categories of Individuals, men, women and children. For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages, 153, 130, 202, 227 and 270 respectively of this Draft Red Herring Prospectus.

Our Company has 7(Seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

The details of changes made to our Registered Office post incorporation of our Company are provided below:

| From  | To   | With effect from | Reason for Change      |
|---|--|------------------|------------------------|
| Room No. 9/475-Z, 3rd Floor VPC Mall, Main Road, Vengara, Malappuram (Dist), Malappuram, Kerala, 676304 | 4/481-A, Perinkadakkad House, Puthanpparamba, Iringalloor P O, Vengara, Malappuram, Kerala, 676304                                 | April 05, 2018   | Administrative Purpose |
| 4/481-A, Perinkadakkad House, Puthanpparamba, Iringalloor P O, Vengara, Malappuram, Kerala, 676304      | 38/227-Z, Inkel Greens Edu City, Karathode-Konampara Road, Panakkad Village, Pattarkadavu, Malappuram, Ernad, Kerala-676519, India | August 05, 2024  | Administrative Purpose |

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

| Year | Key Events/Milestones/Achievements   |
|------|--|
| 2018 | Incorporation of our Company name and style as Pheonix Gold Castings Private Limited                                       |
| 2020 | Name change to AJC Jewel Manufacturers Private Limited   |
| 2021 | IS 1417:2016 certified for selling Gold and Gold Alloys, Jewellery/Artefacts - Fineness and Marking with Hallmark          |
| 2022 | Company commenced production of 18 K Rose Gold Jewellery   |
| 2023 | First Export Sales to A J C Jewellery Trading L.L.C, Maryam OQAD-Fikhree Market Building, Al Buteen, Deira, Dubai, 377347. |
| 2024 | Conversion of our Company from Private Limited to Public Limited Company   |

### MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of manufacturing, trading, retailing, wholesaling, supplying, distributing, importing, exporting, buying, franchising and otherwise deal in all kinds of gold, gold ornaments, diamonds, bullion, silver, platinum, precious stones and other jewellery and also to act as dealers, agents, consigners, consignees of all kinds of lifestyle products made from jewellery and allied items directly and/or through exclusive dealers, franchisees, agents and other related activities.

The main objects as contained in the MOA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

| Date of Meeting  | Type | Nature of Amendment  |
|------------------|------|--|
| January 16, 2019 | EOGM | <b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b><br><br>Increase in Authorized Share Capital of our Company from ₹ 10,00,000 (Rs. Ten Lakhs) divided into 10,000 equity shares of ₹100/- each to ₹ 2,00,00,000 (Rs. Two Crore ) divided into 2,00,000 equity shares of ₹100/- each.                   |
| May 20, 2019     | EOGM | <b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b><br><br>Increase in Authorised Share Capital of the company from ₹ 2,00,00,000 (Rs. Two Crore) divided into 2,00,000 equity shares of ₹100/- each to ₹ 3,00,00,000 (Rs. Three Crore) divided into 3,00,000 equity shares of ₹100/- each.              |
| July 20, 2019    | EOGM | <b><u>Clause I of our Memorandum of Association was amended to reflect:</u></b><br><br>Change in the name clause from “ <i>Pheonix Gold Castings Private Limited</i> ” to “ <i>AJC Jewel Manufacturers Private Limited</i> ” pursuant to name change   |
| March 08, 2021   | EOGM | <b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b><br><br>Increase in Authorised Share Capital of the company from ₹ 3,00,00,000 (Rs. Three Crore) divided into 3,00,000 equity shares of ₹100/- each to ₹ 4,50,00,000 (Rs. Four Crore Fifty Lakhs) divided into 4,50,000 equity shares of ₹100/- each. |
| June 27, 2023    | EOGM | <b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b><br><br>Increase in Authorised Share Capital of the company from ₹ 4,50,00,000 (Rs. Four Crore Fifty Lakhs) divided into 4,50,000 equity shares of ₹100/- each to ₹ 5,50,00,000 (Rs. Five Crore) divided into 5,50,000 equity shares of ₹100/- each.  |
| March 11, 2024   | EOGM | <b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b><br><br>Sub-division of Equity Shares of the company from Face Value of ₹ 100/- each to ₹10/- each.   |
|                  |      | <b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b><br><br>Increase in Authorised Share Capital of the company from ₹ 5,50,00,000 (Rs. Five Crore) divided into 55,00,000 equity shares of ₹10/- each to ₹ 16,00,00,000 (Rs. Sixteen Crore) divided into 1,60,00,000 equity shares of ₹10/- each.        |
| August 05, 2024  | EOGM | <b><u>Clause I of our Memorandum of Association was amended to reflect:</u></b><br><br>Change in the name clause from “ <i>AJC Jewel Manufacturers Private Limited</i> ” to “ <i>AJC Jewel Manufacturers Limited</i> ” pursuant to conversion into public limited company.   |

#### CORPORATE PROFILE OF OUR COMPANY

For details regarding the description of our Company’s activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers segment, capacity/facility creation, capacity built-up, marketing and competition, please refer to the chapters titled “*Our Business*”, “*Our Management*” and

*“Management’s Discussion and Analysis of Financial Position and Results of Operations”* on pages 153, 202 and 273 respectively, of this Draft Red Herring Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors except as mentioned in Material development in chapter titled *“Management’s discussion and analysis of financial conditions & results of operations”* beginning on page 273 of this Draft Red Herring Prospectus.

## **OUR HOLDING COMPANY**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Holding Company.

## **OUR SUBSIDIARY COMPANY**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary Company.

## **ASSOCIATE OR JOINT VENTURES OF OUR COMPANY**

As on date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

## **ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Our Company has not made any material acquisitions or divestments of any business or undertaking and has not undertaken any mergers, amalgamation or revaluation of assets since the date of its incorporation.

## **DEFAULTS OR RESCHEDULING/RESTRUCTURING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company’s borrowings from the lenders except that the Company has shifted its gold metal loan from ICICI Bank Limited to HDFC Bank Limited pursuant to the sanction letter dated January 02, 2025 issued by HDFC Bank Limited.

## **STRATEGIC AND FINANCIAL PARTNERS**

We do not have any financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

## **DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY OUR PROMOTERS**

As on the date of this Draft Red Herring Prospectus, our promoters Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekattu have also extended personally guarantee towards loan facilities availed by our Company. For further details, please see chapter titled *“Restated Financial Statements”* and *“Financial Indebtedness”* beginning on pages 227 and 270 of this Draft Red Herring Prospectus.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

## **SHAREHOLDERS’ AGREEMENT**

Except as mentioned below, our Company has not entered into any Shareholders Agreement as on the date of this Draft Red Herring Prospectus:

| Date of the Shareholding Agreement | Name of the Shareholder          | No of Equity Shares | Consideration          | Nature of Allotment |
|------------------------------------|----------------------------------|---------------------|------------------------|---------------------|
| January 29, 2019                   | Mr. Kader Kutty                  | 3,518               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Jaseela Thasneem             | 5,750               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Saifunneesa                  | 8,690               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Abdu Samad                   | 2,950               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Najiya Thoiba                | 8,805               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Asya                         | 7,445               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Haseena                      | 7,628               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Fathima                      | 7,540               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Sameema                      | 7,347               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Moossakutty                  | 4,735               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Sharafali                    | 3,107               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Sakeena                      | 5,572               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Mohammed Naeem               | 2,953               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Ruseena                      | 8,060               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Ms. Sahida                       | 7,068               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Muhammed Sapwan KT           | 2,996               | Other than cash – Gold | Private Placement   |
| January 29, 2019                   | Mr. Aboobacker                   | 3,000               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Muhammadali                  | 2,708               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Arafath                      | 8,295               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Abdul Basith Pari            | 2,441               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Mohammed Ellias              | 8,395               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Jamsheer                     | 6,773               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Abdul Rasik                  | 8,002               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Ms. Sabiya                       | 10,713              | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Ms. Safabeevi                    | 9,436               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Ms. Sainaba                      | 6,485               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Mohamed Shafi                | 6,021               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Shajahan                     | 2,862               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Ms. Soumya                       | 7,659               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Mr. Thaha                        | 6,346               | Other than cash – Gold | Private Placement   |
| May 29, 2019                       | Ms. Thulasi Gopal                | 7,137               | Other than cash – Gold | Private Placement   |
| June 01, 2019                      | Ms. Nihala Puthukudi             | 7,885               | Other than cash – Gold | Private Placement   |
| November 30, 2020                  | Ms. Alfiya                       | 8,319               | Other than cash- Gold  | Rights Issue        |
| November 30, 2020                  | Ms. Fathwimathul Husna           | 6,190               | Other than cash- Gold  | Rights Issue        |
| November 30, 2020                  | Mr. Abdul Haseeb P.K.            | 11,072              | Other than cash- Gold  | Rights Issue        |
| January 30, 2021                   | Ms. Mashhura Sherin Elambulasser | 10,430              | Other than cash- Gold  | Rights Issue        |
| August 05, 2021                    | Ms. Abida                        | 7,045               | Other than cash- Gold  | Rights Issue        |
| August 05, 2021                    | Ms. Faseela C                    | 7,045               | Other than cash- Gold  | Rights Issue        |
| August 05, 2021                    | Mr. Muhammed Perinkadakkat       | 7,828               | Other than cash- Gold  | Rights Issue        |
| August 05, 2021                    | Ms. Sabira                       | 7,045               | Other than cash- Gold  | Rights Issue        |
| August 05, 2021                    | Ms. Sulaikha Perinkadakkat       | 16,439              | Other than cash- Gold  | Rights Issue        |
| March 14, 2023                     | Ms. Riswana Parveen K P          | 6,914               | Other than cash- Gold  | Rights Issue        |

#### TIME/COST OVERRUN IN SETTING UP PROJECTS

Our Company has not experienced any time or cost overruns in relation to any projects since incorporation.

#### LOCK OUTS AND STRIKES

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Red Herring Prospectus.

#### LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled “Our Business” beginning on page 153 of this Draft Red Herring Prospectus.



## **COLLABORATION AGREEMENTS**

As on date of this Draft Red Herring Prospectus, there are no collaboration agreements entered by our Company with any third party.

## **CAPITAL RAISING (DEBT/EQUITY)**

Except as set out in the sections titled “*Capital Structure*” and “*Financial Indebtedness*” beginning on page no 91 and 270 respectively of this Draft Red Herring Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

## **MATERIAL AGREEMENTS**

Except as disclosed above and in the chapter titled “*Our Business*” on page 153 of this Draft Red Herring Prospectus, we have not entered into any material agreement / contract as on the date of this Draft Red Herring Prospectus.

## **STRATEGIC PARTNERS**

As of the date of this Draft Red Herring Prospectus, our Company does not have any Strategic Partners.

## **FINANCIAL PARTNERS**

As on the date of this Draft Red Herring Prospectus, our Company does not have any other financial partners.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Red Herring Prospectus, our Company has Seven (7) Directors, 1 (One) as Chairman & Managing Director, 1 (One) as a Whole Time Director and 1 (one) as an Executive director being a Women Director, and 4 (Four) as Non-Executive Independent Director.

The details of the Directors are as mentioned in the below table:

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN  | Date of Appointment/ Re appointment  | Other Directorships |
|---|--|---------------------|
| <b>Name:</b> Mr. Ashraf P<br><br><b>Father's Name:</b> Mr. Kunhimohamed<br><br><b>Age:</b> 37 years<br><br><b>Date of Birth:</b> August 07, 1987<br><br><b>Designation:</b> Chairman & Managing Director<br><br><b>Address:</b> Perinkadakkad House, Iringallur Junction, Parappur, Malappuram, Iringallur, Kerala-676304, India.<br><br><b>Occupation:</b> Business<br><br><b>Nationality:</b> Indian<br><br><b>Term:</b> 5 (Five) years with effect from on March 23, 2023 to March 22, 2028<br><br><b>DIN:</b> 08094239      | Originally Appointed as Managing Director of our Company on March 23, 2018 since incorporation<br><br>Re-appointed as Managing Director for 5 years w.e.f. March 23, 2023<br><br>Re-designated as Chairman of our Company on August 05, 2024 | Nil                 |
| <b>Name:</b> Mr. Mohamedali Cheruparambil<br><br><b>Father's Name:</b> Mr. Moosakutty<br><br><b>Age:</b> 38 years<br><br><b>Date of Birth:</b> February 08, 1987<br><br><b>Designation:</b> Whole Time Director<br><br><b>Address:</b> Cheruparambil, Iringalloor, Kuttitharammal, Parappur, Malappuram, Kerala-676304, India.<br><br><b>Occupation:</b> Service<br><br><b>Nationality:</b> Indian<br><br><b>Term:</b> Re-Designated as Whole Time Director for a period of 5 (five) years with effect from September 09, 2024. | Appointed as Executive Director of our Company on August 05, 2024.<br><br>Redesignated as a Whole Time Directors of our Company w.e.f. September 09, 2024  | Nil                 |

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN  | Date of Appointment/ Re appointment  | Other Directorships |
|---|--|---------------------|
| <b>DIN:</b> 10668023  |  |                     |
| <b>Name:</b> Ms. Fathima Jasna Kottekattu<br><b>Father's Name:</b> Mr. Mohammed Kutty<br><b>Age:</b> 29 years<br><b>Date of Birth:</b> February 02, 1996<br><b>Designation:</b> Executive Director<br><b>Address:</b> Kottekattu, Ozhur Malappuram, Kerela-676307, India.<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Term:</b> Appointed as Executive Director with effect from August 05, 2024<br><b>DIN:</b> 10691112   | Appointed as Executive Director of our Company on August 05, 2024.                   | Nil                 |
| <b>Name:</b> Mr. Afnas<br><b>Father's Name:</b> Mr. Muhamed<br><b>Age:</b> 34 years<br><b>Date of Birth:</b> December 30, 1990<br><b>Designation:</b> Non-Executive Independent Director<br><b>Address:</b> Kadambil Poozhitharammal Pottodi, Triprangode, Malappuram, Kerela-676108, India.<br><b>Occupation:</b> Service<br><b>Nationality:</b> Non-Resident Indian<br><b>Term:</b> Appointed as Non-Executive Independent Director with effect from September 09, 2024 for a period of 5 years<br><b>DIN:</b> 10597831 | Appointed as Non-Executive Independent Director of our Company on September 09, 2024 | Nil                 |
| <b>Name:</b> Mr. Anoop V<br><b>Father's Name:</b> Mr. Vasudevan<br><b>Age:</b> 33 Years<br><b>Date of Birth:</b> October 18, 1991   | Appointed as Non-Executive Independent Director of our Company on September 09, 2024 | Nil                 |

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN   | Date of Appointment/ Re appointment   | Other Directorships   |
|--|---|---|
| <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> Indiralayam House, Valiyaprambu, Puthoor Post, Kottakkal, Malappuram, Kerala-676503, India.</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director with effect from September 09, 2024 for a period of 5 years</p> <p><b>DIN:</b> 10691111</p>   |   |   |
| <p><b>Name:</b> Mr. Ganesh Ramani</p> <p><b>Father's Name:</b> Mr. Ramani</p> <p><b>Age:</b> 54 Years</p> <p><b>Date of Birth:</b> November 02, 1970</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> A-902, Meridian Co-Op Housing Society, Plot No-25/27, Near Shushrusha Heart Hospital, Sector 6, Nerul West, Navi Mumbai – 400706, Thane, Maharashtra, India.</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director with effect from September 29, 2024 for a period of 5 years</p> <p><b>DIN:</b> 10792685</p> | <p>Appointed as Non-Executive Independent Director of our Company on September 29, 2024</p> | <p>Nil</p>  |
| <p><b>Name:</b> Mr. Thajudheen Valakkundil</p> <p><b>Father's Name:</b> Mr. Abdul Haque Valakkundil</p> <p><b>Age:</b> 43 Years</p> <p><b>Date of Birth:</b> April 07, 1982</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> Manara, Vazhakkattin, Koottilangadi, PO: Kottilangadi, DIST: Malappuram, Kerala-676506, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p>  | <p>Appointed as Non-Executive Independent Director of our Company on March 27, 2025</p>     | <ul style="list-style-type: none"> <li>• Tass &amp; Hamjit Private Limited</li> <li>• T F R &amp; Co LLP</li> </ul> |

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN   | Date of Appointment/ Re appointment | Other Directorships |
|--|-------------------------------------|---------------------|
| <b>Term:</b> Appointed as Non-Executive Independent Director with effect from March 27, 2025 for a period of 5 years<br><br><b>DIN:</b> 08789363 |                                     |                     |

## BRIEF PROFILE OF OUR DIRECTORS

**Mr. Ashraf P**, aged 37 years, is one of the Promoter, Chairman and Managing Director of our Company. He holds Bachelors of Commerce Degree from Manonmaniam Sundaranar University, Tirunelveli, Tamil Nadu. He also holds a certificate for Basic Aircraft Maintenance Engineer's Examination from Directorate General of Civil Aviation Central Examination Organization, New Delhi. In his previous stint he was associated with Vismaya Jewellers as Sales Executive from January 01, 2011 to September 30, 2012, also he was associated with P. K. Data Services as a proprietor from October 2012 to December 2013 and is also associated with Vismaya Gold as a proprietor since January 2014, he is involved in strategic planning and operational management of the proprietorship, it is involved in the wholesale and retail trading of gold jewellery on a small scale. He is also associated as Managing Partner in Vismaya Furniture since May 2021 and still is in association and overseas overall business operations, including strategic planning, financial management, vendor and client relations. He is also associated with A J C Jewellery Trading L.L.C as a shareholder and managing director of the LLC since February 2023 and still in association and is overseeing all aspects of the company's operations, including procurement, sales, marketing and supply chain management, it is into the business of wholesale trading of 22 K and 18 K gold jewellery. He is also associated with AJC Jewel Manufacturers (FZE) as a Shareholder and Managing Director of the (FZE) since May 2024 and still in association and is responsible for strategic planning and execution, leadership and management, business development, financial oversight, operational excellence and customer relations, it is into business of producing casting jewellery items like rings, pendant, bracelet, bangles, necklace, anklets, earrings. He has been associated with our Company since incorporation as Managing Director demonstrating leadership and strategic vision. He is responsible for Strategic planning and Execution, Leadership and Management, Business Development, Financial Oversight and customer relations of our Company. He has a total experience of 14 years out of which 13 years of work experience in the gold jewellery industry.

**Mr. Mohamedali Cheruparambil**, aged 38 years, is the Whole Time Director of our Company. He has completed Intermediate Education. He was associated with Vismaya Gold from February, 2014 to December, 2019 as a Sales Manager. He is associated with our Company since January 01, 2020 as Sales Manager till August 04, 2024 and then got promoted to Executive Director w.e.f. August 05, 2024 and was then Redesignated as a Whole Time Directors of our Company w.e.f. September 09, 2024. He has a total experience of 11 years in the field of sales and marketing. He is responsible for developing sales strategies, managing client relations, team leadership, market analysis, product knowledge and sales reporting.

**Ms. Fathima Jasna Kottekattu**, aged 29 years, is one of the Promoters and Executive Director of our Company. She has completed Intermediate Education. She has been appointed as an Executive Director of our Company with effect from August 05, 2024 and she oversees the strategic leadership and management decisions and oversees the development and implementation of organizational policies and procedures and she is a home maker.

**Mr. Afnas**, aged 34 years, is appointed as a Non-Executive Independent Director of our Company on September 09, 2024. He holds Bachelors of Commerce degree from University of Calicut. He also holds a Master of Business Administration degree from Anna University, Chennai. In his previous stint he was associated with Fatima General Market LLC Branch-1, Abu Dhabi UAE as Accountant General from October 2014 to February, 2017. He is currently associated with Swiss Arabian Perfumes Trading, Sharjah, UAE as Senior Accountant since January, 2018 and still is in association. He has a total experience of 10 years in the fields of finance and accounts.

**Mr. Anoop V**, aged 33 years, is appointed as a Non-Executive Independent Director of our Company on September 09, 2024. He holds Bachelors of Engineering degree in Aeronautical Engineering from Anna University. He has completed Post Graduate Diploma in Material Management. In his previous stint he was associated with Aeronautical Development Establishment DRDO, Ministry of Defence, Government of India Bengaluru as Apprenticeship Trainee in the field of CAD Modelling using Auto CAD and CATIA from November 2014 to November 2015. He was also associated with Capgemini Technology Services India Limited, Bengaluru Karnataka as process Associate from December 2016 to March 2019, He was also associated with Rockwell Collins (India) Enterprise Private Limited as Associate Engineer from March 2019 to September 2021, He was also associated with Wipro Limited as Senior Technical Writer (designation responsible for preparing documentation such as user manual for various products, which includes manuals for both hardware and software)

from September 2021 to August 2022, He was also associated with Capgemini Technology Services India Limited, Maharashtra as Senior Professional-I from August 2022 to July 2024. He is currently placed in IBM India Private Limited as a Content Designer (responsible for documenting IBM concert, a software product) since July 2024 and is still in association. He has a total experience of 8 years in the field of engineering and as a technical writer.

**Mr. Ganesh Ramani**, aged 54 years, is appointed as a Non-Executive Independent Director of our Company on September 29, 2024. He holds Bachelors of Engineering degree in Electronics from Mumbai University. Further he also holds a master degree in Management studies from Mumbai University. In his previous stint he was associated with Sutherland Global Services Private Limited from July 2009 to January 2014 as Vice President. He was also associated with ISON BPO India Private Limited from January 2014 to September 2017 as a Senior Vice President. He was also associated with IRIS Business Services Limited from April 2018 to March 2019 as a Business Head – Global Alliances. He was also associated with JMR Infotech Private Limited from August 2019 to April 2021 as Regional Sales Head. He was also associated with Pennant Technologies Private Limited from April 2021 to April 2024 as a Senior Vice President and was a part of Sales and Business Development team. Currently he is associated as Chief Business Officer in Uncia Technologies Private Limited since May 2024 and still is in association. He has experience of 16 years in the field of sales and business development.

**Mr. Thajudheen Valakkundil**, aged 43 years, is appointed as a Non-Executive Independent Director of our Company on March 27, 2025. He holds Bachelors of Commerce degree from University of Calicut. Further, he also holds a provisional Master of Commerce degree from Madurai Kamaraj University. He is a Fellow member of the Institute of Chartered Accountants of India. He is currently working as a managing partner in a Chartered Accountant firm namely TH & Co., Chartered Accountants, Kozhikode and Manjeri from April 2017 till date which deals into the business of providing services in the field of auditing, accounting, legal and related services. He is also Director in Tass & Hamjit Private Limited from July 13, 2020 and is also a designated partner at T F R & Co LLP from January 27, 2025. He has experience of 8 years in the field of Finance and Accounts.

## CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

- None of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013, except for that:
  - Mr. Ashraf P and Ms. Fathima Jasna Kottekattu are spouse of each other.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a promoters or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce them to become or to help them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.
- There are none of the Directors on the Board appointed as the Nominee Director.

## DETAILS OF BORROWING POWERS

Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting of our Company held on September 25, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company are authorized to borrow monies from time to time, with or without security, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 20,000.00 Lakhs.

## REMUNERATION OF OUR DIRECTORS

### Mr. Ashraf P

Mr. Ashraf P has been a Managing Director on the Board of our Company since incorporation i.e. since 2018. He was re-appointed as the Managing Director of the Company pursuant to a Board resolution dated December 23, 2022 for a period of 5 years with effect from March 23, 2023 to March 22, 2028. His remuneration was fixed pursuant to a Board resolution dated March 26, 2024 and approved by the Shareholders of our Company at the EGM held at shorter notice on March 30, 2024 w.e.f. April 01, 2024 and further his remuneration and appointment was ratified in the Annual General Meeting held on September 09, 2024 in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarized below:

| Particulars                       | Terms of remuneration  |
|-----------------------------------|--|
| <b>Salary</b>                     | A sum of up to ₹ 72,00,000/- per annum.  |
| <b>Perquisites and Allowances</b> | Perquisites shall be evaluated as per the Income Tax Rule wherever applicable and in the absence of any such rule, Perquisites shall be evaluated at actual cost.  |
| <b>Retirement Benefits</b>        | Gratuity payable shall be in accordance with the rules of Companies Act and Gratuity Rules.<br><br>Earned leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at this end of the tenure, will not be included in the compensation of ceiling on perquisites.  |
| <b>Other Benefits</b>             | The Director shall be entitled to reimbursement of expenses like Vehicle, Guest Entertainment; Travelling Expenses actually and properly incurred during the course of doing legitimate business of the company.<br><br>The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act 2013  |
| <b>Minimum Remuneration</b>       | The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Executive Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law. |

In Fiscal 2024, he received an aggregate remuneration of ₹ 42.00 Lakhs and for the period ended December 31, 2024, he has received the remuneration of ₹ 40.50 Lakhs.

### Mr. Mohamedali Cheruparambil

Pursuant to a resolution passed by the Board of Directors at the meeting held on July 22, 2024 and approved by the Shareholders of our Company at the EGM held at shorter notice on August 05, 2024, Mr. Mohamedali Cheruparambil was appointed as an Executive Director of our Company with effect from August 05, 2024 and further, redesignated as a Whole Time Directors of our Company w.e.f. September 09, 2024 in the Annual General Meeting along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies

Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

| Particulars                 | Terms of remuneration   |
|-----------------------------|---|
| <b>Salary</b>               | A sum of up to ₹ 7,38,000/- per annum.  |
| <b>Minimum Remuneration</b> | The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Executive Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law |

In Fiscal 2024, he has not received any amount as remuneration and for the period ended December 31, 2024, he has received a remuneration of ₹ 5.06 Lakhs.

#### **Ms. Fathima Jasna Kottekattu**

Ms. Fathima Jasna Kottekattu was appointed as an Executive Director of the Company pursuant to a Board resolution dated July 22, 2024 and pursuant to the EGM held on August 05, 2024 along with the Remuneration and other terms and conditions. The following table sets forth the terms of appointment of Ms. Fathima Jasna Kottekattu:

| Particulars   | Terms of remuneration                   |
|---------------|---|
| <b>Salary</b> | A sum of up to ₹ 15,00,000/- per annum. |

In Fiscal 2024, she has received the remuneration of ₹ 5.00 Lakhs and for the period ended December 31, 2024, she has received the remuneration of ₹ 6.00 Lakhs.

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

#### **SITTING FEES**

Pursuant to the Resolution passed by the Board of Directors of our Company on September 24, 2024, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹10,000 /- for attending every meeting of Board and attending every meeting of its committees thereof.

Further, Mr. Afnas, Non-Executive Independent Director was involved in Purchase transaction which was not exceeding ten per cent of his total income with our company in the stub period ended December 31, 2024 as per the provisions of Companies Act, 2013, for further details, please refer the chapter titled “*Restated Financial Statements*” on page no. 227 of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, no amount has been paid as sitting fees to the non-executive independent directors by our Company.

#### **PAYMENT OF BENEFITS (NON-SALARY RELATED)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of the Executive directors except the normal remuneration for services rendered as a director of our Company.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS**

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

#### **BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS**



None of the Directors are party to any bonus or profit-sharing plan of our Company.

#### **REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARIES OR ASSOCIATES**

As on the date of this Draft Red Herring Prospectus, we do not have any subsidiaries or associates.

#### **LOANS TO DIRECTORS**

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

#### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

Except as stated below, none of our directors holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

| <b>Sr. No.</b> | <b>Name of the Director</b>  | <b>Designation</b>           | <b>No. of Equity Shares</b> | <b>% Of pre issue paid up capital</b> | <b>% Of post issue paid up capital</b> |
|----------------|------------------------------|------------------------------|-----------------------------|---------------------------------------|--|
| 1.             | Mr. Ashraf P                 | Chairman & Managing Director | 16,58,630                   | 37.29%                                | ●                                      |
| 2.             | Ms. Fathima Jasna Kottekattu | Executive Director           | 2,15,400                    | 4.84%                                 | ●                                      |

*Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.*

#### **SHAREHOLDING OF OUR DIRECTORS IN OUR SUBSIDIARIES**

As on the date of this Draft Red Herring Prospectus, we do not have any subsidiaries.

#### **INTEREST OF OUR DIRECTORS**

All our directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof payable to them.

Further our directors may be deemed to be interested to the extent of shareholding held by them in our Company or held by the entities in which they are associated as directors or partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For the shareholding of the Directors, please refer chapter titled “*Our Management – Shareholding Of The Key Management Personnel And Senior Management*” on page 216 of this Draft Red Herring Prospectus.

Except for one of our Promoters, Mr. Ashraf P who is also interested in our promoter group entities and group company, A J C Jewellery Trading L.L.C, AJC Jewel Manufacturers (FZE) and Vismaya Gold to the extent of Directorship and/or Shareholding and proprietorship respectively, who is into same line of business activities of Jewellery industry, none of the other Directors are interested in the other Companies with similar businesses.

Further, relatives of certain of our directors are also shareholders of our Company and may be deemed to be interested to the extent of the dividends declared on the Equity Shares held by them, if any. For further details, see “Restated Financial Statements – Annexure XXX - Related Party Transactions” on page 227 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Except as stated in the heading titled “Properties” under the chapter titled “Our Business”, beginning on page 187 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, if any.

Except as stated in “Restated Financial Statements – Related Party Transactions” from the chapter titled “Restated Financial Statements” on Page No. 261 of this Draft Red Herring Prospectus, our directors do not have any other interest in the business of our Company.

Our Directors, Mr. Ashraf P, Ms. Fathima Jasna Kottekattu and Mr. Mohamedali Cheruparambil have given personal guarantee for the Credit facility availed by our company and may be deemed to be interested to that extent. For details, please see the “Restated Financial Statements” on page 261 of this Draft Red Herring Prospectus.

Except for Mr. Ashraf P and Ms. Fathima Jasna Kottekattu who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

| Sr. No. | Name of the Director         | Date of Appointment / Change in designation | Reason for Change   |
|---------|------------------------------|---|---|
| 1.      | Mr. Thajudheen Valakkundil   | March 27, 2025                              | Appointment as Non-Executive Independent Director                                     |
| 2.      | Mr. Afnas                    | September 09, 2024                          | Appointment as Non-Executive Independent Director                                     |
| 3.      | Mr. Anoop V                  | September 09, 2024                          | Appointment as Non-Executive Independent Director                                     |
| 4.      | Mr. Ganesh Ramani            | September 29, 2024                          | Appointment as Non-Executive Independent Director                                     |
| 5.      | Mr. Mohamedali Cheruparambil | September 09, 2024                          | Re-designated as Whole Time Director of our Company                                   |
| 6.      | Mr. Kunhimohammed P          | August 05, 2024                             | Resignation from the directorship of our Company                                      |
| 7.      | Mr. Kunhimoidu Annenkottil   | August 05, 2024                             | Resignation from the directorship of our Company                                      |
| 8.      | Ms. Fathima Jasna Kottekattu | August 05, 2024                             | Appointment as Executive Director of our Company                                      |
| 9.      | Mr. Mohamedali Cheruparambil | August 05, 2024                             | Appointment as Executive Director of our Company                                      |
| 10.     | Mr. Ashraf P                 | August 05, 2024                             | Re-designated as Chairman of our Company  |
| 11.     | Mr. Kunhimohammed P          | March 30, 2024                              | Re-designation as Chairman and Whole Time Director of our Company                     |
| 12.     | Mr. Ashraf P                 | March 23, 2023                              | Re-appointment as Managing Director of our Company in Board Meeting December 23, 2022 |

## CORPORATE GOVERNANCE

We are in compliance with the requirements of the Companies Act in respect of corporate governance including constitution of the Board and committees thereof. Further, conditions of corporate governance as stipulated in Regulation 17 to 27 of the SEBI LODR Regulations is not applicable to our company in terms of the Regulation 15(2)(b) of the SEBI LODR Regulations. Our Board has been constituted in compliance with the Companies Act. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Red Herring Prospectus, our Company has Seven (7) Directors, 1 (One) as Chairman & Managing Director, 1 (One) as a Whole Time Director and 1 (one) as an Executive director being a Women Director, and 4 (Four) as Non-Executive Independent Director.

## COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act: (i) Audit Committee, (ii) Stakeholders’ Relationship Committee, and (iii) Nomination and Remuneration Committee.

### *Audit Committee*

Our Board had constituted the Audit Committee vide Board Resolution dated September 29, 2024 and re-constituted the same pursuant to Board Resolution dated April 11, 2025 which was in accordance with Section 177 of the Companies Act, 2013. The audit committee comprises of:

| <b>Name of the Directors</b> | <b>Nature of Directorship</b>      | <b>Designation in Committee</b> |
|------------------------------|------------------------------------|---------------------------------|
| Mr. Thajudheen Valakkundil   | Non-Executive Independent Director | Chairman                        |
| Mr. Afnas                    | Non-Executive Independent Director | Member                          |
| Mr. Ashraf P                 | Chairman & Managing Director       | Member                          |

The Company Secretary & Compliance Officer of our Company will act as the Secretary of the Committee.

The role of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions; g. Qualifications in the draft audit report;
  - (g) Qualifications in the draft audit report;
5. Reviewing with the management the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an offer (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
10. Discussion with internal auditors any significant findings and follow up there on;
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism;
15. Approval of appointment of CFO (or the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Approval or any subsequent modification of transactions of the company with related parties;
17. Scrutiny of inter-corporate loans and investments;
18. Valuation of undertakings or assets of the Company, whenever it is necessary;
19. Evaluation of internal financial controls and risk management systems;
20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

*Explanation (i): The term “related party transactions” shall have the same meaning as contained in the Ind AS 24, Related Party Transactions, issued by The Institute of Chartered Accountants of India.*

*Explanation (ii): If the issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.*

The Audit Committee enjoys following powers:

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
- ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv) Internal audit reports relating to internal control weaknesses; and
- v) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
- vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations; and (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

#### **Meeting of Audit Committee and Relevant Quorum**

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

### ***Stakeholders' Relationship Committee***

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated September 29, 2024 pursuant to Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

| <b>Name of the Directors</b> | <b>Nature of Directorship</b>      | <b>Designation in Committee</b> |
|------------------------------|------------------------------------|---------------------------------|
| Mr. Afnas                    | Non-Executive Independent Director | Chairman                        |
| Mr. Anoop V                  | Non-Executive Independent Director | Member                          |
| Mr. Mohamedali Cheruparambil | Whole Time Director                | Member                          |

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;
7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;
14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

### **Meeting of Stakeholders' Relationship Committee and Relevant Quorum**

The stakeholders' Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

### ***Nomination and Remuneration Committee***

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated September 29, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

| <b>Name of the Directors</b> | <b>Nature of Directorship</b>      | <b>Designation in Committee</b> |
|------------------------------|------------------------------------|---------------------------------|
| Mr. Anoop V                  | Non-Executive Independent Director | Chairman                        |
| Mr. Afnas                    | Non-Executive Independent Director | Member                          |
| Mr. Ganesh Ramani            | Non-Executive Independent Director | Member                          |

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i) use the services of an external agencies, if required;
  - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

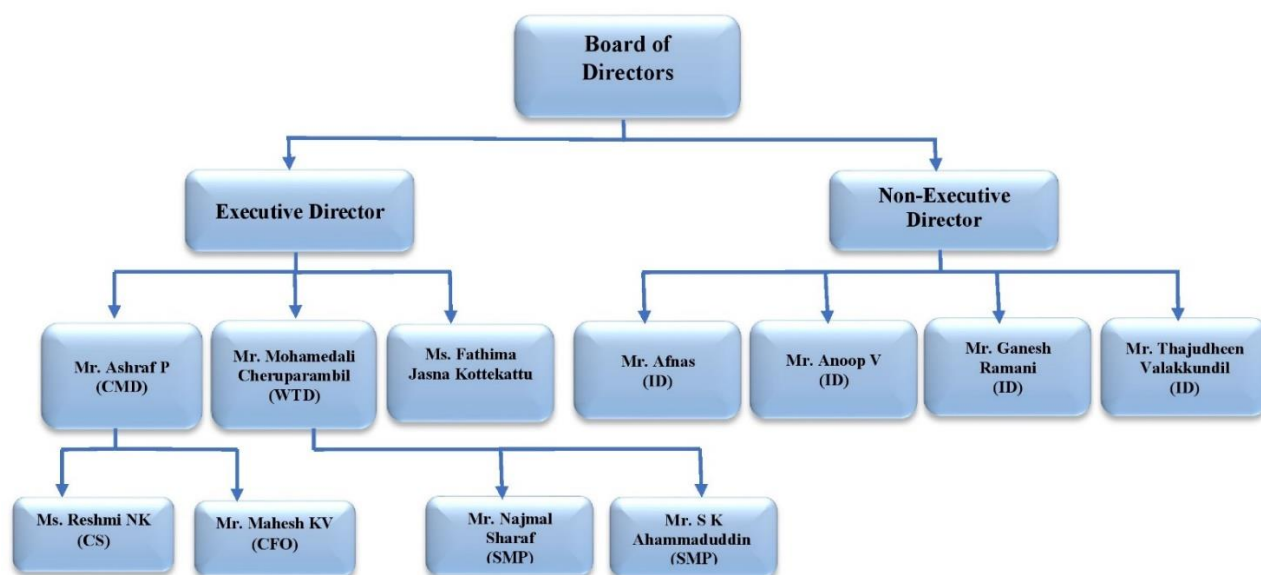
### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the BSE SME platform. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchange. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

### **ORGANIZATIONAL STRUCTURE**



## KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

### Key Managerial Personnel of our Company:

**Mr. Ashraf P** is the Promoter, Chairman & Managing Director of our Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 202 of this Draft Red Herring Prospectus.

**Mr. Mohamedali Cheruparambil** is the Whole Time Director of our Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 202 of this Draft Red Herring Prospectus.

**Mr. Mahesh K V**, aged 33 years, is the Chief Financial Officer of our Company with effect from March 26, 2024. He holds Bachelors of Commerce Degree from University of Calicut and Masters of Business Administration Degree from Anna University. In his previous instant, he has worked with Vismaya Gold from October 2014 to December 2019 as marketing Manager. He has been associated with our Company since January 2020 till March 2024 as Finance Manager and got promoted as Chief financial Officer w.e.f. March 26, 2024. He has an experience of over 10 years including 4 years of experience in Accounts and finance field, He is responsible for accounts and finance division of our company. He was paid ₹ 6.23 Lakhs in the Fiscal Year 2023-24 and ₹ 5.06 Lakhs as at December 31, 2024.

**Ms. Reshmi N K**, aged 41 years, is the Company Secretary of our Company with effect from March 01, 2024 and was designated as Compliance officer on March 26, 2024. She holds Bachelors of Commerce Degree and Masters of Commerce Degree from University of Calicut. She is an Associate member of the Institute of Company Secretaries of India. In her previous stint she was associated with Shalini Deen Dayal Associates, Hyderabad as Company Secretary Trainee from July 2009 to December 2010 and as Company Law Executive from January 01, 2011 to June 30, 2012. She was also associated with K.K. Leisures & Tourism International Private Limited from June 2017 to May 2019 as a Company Secretary, also she was associated with Hyson Motors private Limited from May 2019 to June 2020 as a Company Secretary, and also she was associated with Alston Builders and Developers Private Limited from July 2020 to February 2024 as Company Secretary. She has a total experience of 9 years in the fields of Company law and secretarial related matters. She is responsible for the Secretarial and Compliance division of our Company. She was paid ₹ 0.35 Lakhs in the Fiscal Year 2023-24 and ₹ 3.15 Lakhs as at December 31, 2024.

### Senior Management Personnel of our Company:

In addition to the above, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Draft Red Herring Prospectus are set forth below:

**Mr. Najmal Sharaf**, aged 30 years, appointed as a Senior Management Personnel on September 24, 2024. He holds Bachelors of Commerce degree from University of Calicut and Masters of Commerce degree from Indira Gandhi National Open University. He has been associated with our company since January 01, 2020 as Accounts Manager and was promoted as Operation Head on February 07, 2023. He has around more than 5 years of experience in our industry. He is the operations head of our Company. He was paid ₹ 5.04 Lakhs as salary in the Fiscal Year 2023-24 and ₹ 3.78 Lakhs as salary as at December 31, 2024.

**Mr. SK Ahammadduddin**, aged 31 years, appointed as Senior Management Personnel on September 24, 2024. He holds Bachelors of Arts Degree from University of Calicut. He also completed certificate course in Information technology Application from Harit Youth Computer Training Centre. He has also completed project-based Training on Jewelcad from CMC Limited and has also completed the Computer Awareness Program from Webel Technology Limited. He was associated with Divine Gold manufacturers and Wholesalers from year 2015 to 2019. He has around 4 years of experience in our Industry. He has been associated with our company since January 01, 2020 as the Research and Development Manager of our company. He was paid ₹ 4.75 Lakhs as salary in the Fiscal Year 2023-24 and ₹ 3.47 Lakhs as salary as at December 31, 2024.

#### **STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

All our Key Managerial Personnel and senior management are permanent employees of our Company.

#### **RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our directors are related to each other or to our Key Managerial Personnel and Senior Management. Except as mentioned below:

- Mr. Ashraf P and Ms. Fathima Jasna Kottekattu are spouse to each other.

#### **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

Except for the following, none of our KMPs or senior management hold any shares of our Company as on the date of this Draft Red Herring Prospectus.

| <b>Sr. No.</b> | <b>Name of the Director</b> | <b>Designation</b>           | <b>No. of Equity Shares</b> | <b>Percentage of Pre-Issue Capital (%)</b> |
|----------------|-----------------------------|------------------------------|-----------------------------|--|
| 1.             | Mr. Ashraf P                | Chairman & Managing Director | 16,58,630                   | 37.29%                                     |

#### **SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Our Key Managerial Personnel or Senior Management have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our Key Management Personnel or Senior Management has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel or Senior Management may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

#### **ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or senior management have been selected as the Key Managerial Personnel or senior management of our Company.

#### **BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

There is no profit-sharing plan for the Key Managerial Personnel or senior management. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.



**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

There is no contingent or deferred compensation payable to our Key Managerial Personnel and senior management, which form part of their remuneration.

**EMPLOYEE SHARE PURCHASE, EMPLOYEE STOCK OPTION PLAN AND STOCK APPRECIATION RIGHT**

Our Company does not have an employee share purchase, employee stock option plan and stock appreciation right scheme as on the date of this Draft Red Herring Prospectus.

**PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

No non salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

**CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS**



The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Draft Red Herring Prospectus are set forth below:

| Name                         | Designation                      | Date of Appointment/<br>Change in designation | Reason for Change   |
|------------------------------|----------------------------------|---|---|
| Mr. Najmal Sharaf            | Operation Head                   | September 24, 2024                            | Designated as Senior Management Personnel                                     |
| Mr. S K Ahammaduddin         | Research and Development Manager | September 24, 2024                            | Designated as Senior Management Personnel                                     |
| Mr. Mohamedali Cheruparambil | Whole Time Director              | September 09, 2024                            | Re-designated as Whole Time Director  |
| Mr. Ashraf P                 | Chairman & Managing Director     | August 05, 2024                               | Appointed as Chairman   |
| Mr. Kunhimohamed P           | Whole Time Director and Chairman | August 05, 2024                               | Resigned from the directorship of our company                                 |
| Mr. Kunhimohamed P           | Whole Time Director and Chairman | March 30, 2024                                | Redesignated as Chairman & Whole Time Director of the Company                 |
| Ms. Reshmi N K               | Compliance Officer               | March 26, 2024                                | Appointed as Compliance Officer   |
| Mr. Mahesh K V               | Chief Financial Officer          | March 26, 2024                                | Appointed as Chief Financial Officer  |
| Ms. Reshmi N K               | Company Secretary                | March 01, 2024                                | Appointed as Company Secretary  |
| Mr. Ashraf P                 | Managing Director                | March 23, 2023                                | Re-appointed as Managing Director in Board Resolution dated December 23, 2022 |

## OUR PROMOTERS AND PROMOTER GROUP

As on the date of this Draft Red Herring Prospectus, our Promoters hold 31,11,530 Equity Shares, representing 69.95% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please see "*Capital Structure*" beginning on page 91 of this Draft Red Herring Prospectus.

The details of our Promoters are as under:

|  |  |
|--|--|
| <p><b>Mr. Ashraf P</b></p>         | <p><b>Mr. Ashraf P</b>, aged 37 years is one of the Promoters, Chairman and Managing Director of our Company.</p> <p><b>Date of Birth:</b> August 07, 1987</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> BUSPP9040C</p> <p><b>Residential Address:</b> Perinkadakkad House, Iringallur Junction, Parappur, Malappuram, Iringallur, Kerela-676304, India.</p> <p>For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "<i>Our Management</i>" on page 202 of this Draft Red Herring Prospectus.</p>  |
| <p><b>Mr. Kunhimohamed P</b></p>  | <p><b>Mr. Kunhimohamed P</b>, aged 67 years is one of the Promoters of our Company. He does not hold any formal education degree. He has more than 25 years of experience in manufacturing and designing of gold jewelleryes. In the past, he was in the business of trading of gold jewelleryes through the partnership firm, M/s. Vismaya Jewellers since from 1999 to 2018. He was associated with our Company as a director since incorporation till August 05, 2024 and currently is a Promoter, looking after the overall operations of the Company.</p> <p><b>Date of Birth:</b> October 01, 1957</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> ASYPK4874A</p> <p><b>Residential Address:</b> Perinkadakkad House, Puthanparamba Iringallur P O, Parappur, Malappuram, Kerela-676304, India.</p> |
| <p><b>Ms. Fathima Jasna Kottekatu</b></p>  |  |

|   |   |
|---|---|
|  | <p><b>Ms. Fathima Jasna Kottekattu</b>, aged 29 years is one of the Promoters and Executive Director of our Company.</p> <p><b>Date of Birth:</b> February 02, 1996</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> OMPPK3571M</p> <p><b>Residential Address:</b> Kottekattu Ozhur Malappuram, Kerala-676307, India.</p> <p>For her complete profile along with the details of her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “<i>Our Management</i>” on page 202 of this Draft Red Herring Prospectus.</p> |
|---|---|

## DECLARATION

- We confirm that the Permanent Account Number, Bank Account number, Passport number, Driving License number, Aadhaar Card number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus with the Stock Exchange. One of our Promoter, Ms. Fathima Jasna Kottekattu has confirmed that she is not holding Driving License as on the date of this Draft Red Herring Prospectus.
- Present Promoters of Our Company are Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekattu. Initial subscribers to the MoA of our Company were Mr. Ashraf P and Mr. Kunhimohamed P. For details of the shareholding acquired by the current promoters of our Company refer the capital build-up of our Promoters under chapter “Capital Structure” beginning on page 91 of this Draft Red Herring Prospectus.
- None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:
  - Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
  - Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
  - No material regulatory or disciplinary action is taken by stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
  - There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- None of our Promoters and Promoter group has been declared as “Fraudulent Borrowers” by the lending banks or financial institutions or consortium, in terms of RBI Circular dated July 01, 2016.
- None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 283 of this Draft Red Herring Prospectus.

## **CHANGE IN MANAGEMENT AND CONTROL OF OUR COMPANY**

There has not been any change in the management and/or control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

## **OTHER VENTURES OF OUR PROMOTERS**

Other than as disclosed in “*Promoter Group*” and “*Our Management*” on pages 218 and 202 respectively, our Promoters are not involved in any other venture.

## **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page 202 of this Draft Red Herring Prospectus.

## **INTEREST OF OUR PROMOTERS**

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them or their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on pages 91, 227 and 202 of this Draft Red Herring Prospectus.

Except as stated in the chapter titled “History and Certain Corporate Matters” on page no. 197 of this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please see chapter titled “Restated Financial Statements” and “History and Certain Corporate Matters” beginning on page 227 and 197 of this Draft Red Herring Prospectus.

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled “*Capital Structure*” on page 91 of this Draft Red Herring Prospectus.

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 187 and 227 respectively, of this Draft Red Herring Prospectus, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 153 of this Draft Red Herring Prospectus, our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of his appointment, the Articles of Association

of our Company and relevant provisions of Companies Act. For further information on our Promoter's compensation and other details please refer to the chapter titled "*Our Management*" on page 202 of this Draft Red Herring Prospectus.

Our Promoters, Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekattu have given personal guarantee for the Credit facility availed by our company and may be deemed to be interested to that extent. For details, please see the "Restated Financial Statements" on page 227 of this Draft Red Herring Prospectus.

Except as mentioned in this chapter and chapters titled "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management*" and "*Restated Financial Statements*" beginning on pages 153, 197, 202 and 227, respectively, our Promoters do not have any other interest in our Company.

Except for one of our Promoters, Mr. Ashraf P who is also interested in our promoter group entities and group company, A J C Jewellery Trading L.L.C, AJC Jewel Manufacturers (FZE) and Vismaya Gold to the extent of Directorship and/or Shareholding and proprietorship respectively, who is into same line of business activities of Jewellery industry, none of the other Directors are interested in the other Companies with similar businesses.

## **COMMON PURSUITS OF OUR PROMOTERS**

Our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company except, our promoter group entities and one of the Group Company viz A J C Jewellery Trading L.L.C, AJC Jewel Manufacturers (FZE) and Vismaya Gold are in the same line of business products in which our Company operates. Our Promoter group entity and Group Company namely A J C Jewellery Trading L.L.C is in the business of trading 22k and 18k Gold jewellery, sourcing products from both Local and international suppliers in United Arab Emirates. Our Promoter Group Entity namely AJC Jewel Manufacturers (FZE) is in the business of manufacturing casting jewellery items like rings, pendant, bracelet, bangles, neckless, anklets, earrings. Also our another promoter group entity namely Vismaya Gold is in the business of whole and retail trading of gold jewellery on small scale basis

Our Promoter group entities and group company operates in the same line of Jewellery Industry, this may lead to potential conflict of interest between us and the entity. There can be no assurance that our Promoter Group entities and our Group Company will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our Reputation, Business, Results of Operations and Financial Condition of the Company.

## **PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in the chapter titled "*Restated Financial Statements*" beginning on page 227 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoter or members of our Promoter Group.

## **MATERIAL GUARANTEES**

Except as stated in the chapter titled "*History and Certain Corporate Matters*" and "*Restated Financial Statements*" beginning on pages 197 and 227 of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Further, our promoter Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekattu have also given personal guarantee for the borrowings availed by our Company. For further details, please see chapter titled "*Financial Indebtedness*" beginning on pages 270 of this Draft Red Herring Prospectus.

## **OUR PROMOTER GROUP**

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

### **A. Natural Persons who are Part of the Promoter Group**

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

| Name of the Promoters               | Name of the Relative           | Relationship with the Promoter |
|-------------------------------------|--------------------------------|--------------------------------|
| <b>Mr. Ashraf P</b>                 | Mr. Kunhimohamed P             | Father                         |
|                                     | Ms. Asya                       | Mother                         |
|                                     | Ms. Fathima Jasna Kottekattu   | Spouse                         |
|                                     | Mr. Afzal Rahman               | Brother                        |
|                                     | Ms. Hasnath                    | Sisters                        |
|                                     | Ms. Haseena                    |                                |
|                                     | Ms. Naziya Thoiba              |                                |
|                                     | Master Muhammed Haani P        | Son                            |
|                                     | Master Muhammed Haadhi         |                                |
|                                     | Ms. Ayisha Ashraf P            | Daughter                       |
|                                     | Mr. Mohammed Kutty             | Spouse's Father                |
|                                     | Ms. Ayishabeevi V A            | Spouse's Mother                |
|                                     | -                              | Spouse's Brother               |
|                                     | Ms. Jahsha Muhammed K K        | Spouse's Sisters               |
|                                     | Ms. Ayisha Jasni K K           |                                |
| <b>Mr. Kunhimohamed P</b>           | Late Alavi Perinkadakkat       | Father                         |
|                                     | Ms. Pathummu                   | Mother                         |
|                                     | Ms. Asya                       | Spouse                         |
|                                     | Mr. Hamza Perinkadakkat        | Brothers                       |
|                                     | Mr. Ummer                      |                                |
|                                     | Ms. Sakeena P                  | Sisters                        |
|                                     | Ms. Subaida                    |                                |
|                                     | Mr. Ashraf P                   | Sons                           |
|                                     | Mr. Afzal Rahman               |                                |
|                                     | Ms. Hasnath                    | Daughters                      |
|                                     | Ms. Haseena                    |                                |
|                                     | Ms. Naziya Thoiba              |                                |
|                                     | Late Mohamedali                | Spouse's Father                |
|                                     | Ms. Ayisha P                   | Spouse's Mother                |
|                                     | Mr. Sirajudheen N              | Spouse's Brother               |
|                                     | Mr. Mohammed Abdunnasr Malayil |                                |
|                                     | Mr. Mohammed Abdul Shareef M   |                                |
|                                     | Mr. Muhamed Rafeeq M           |                                |
|                                     | Mr. Shabeer Melayil            |                                |
|                                     | Mr. Noufal Melayil             |                                |
|                                     | Ms. Ramla M                    | Spouse's Sisters               |
|                                     | Ms. Bushra Melethil            |                                |
|                                     | Ms. Saifunnisa Meleyil         |                                |
|                                     | Ms. Jubairiya Melayil          |                                |
|                                     | Ms. Shaharbanu M               |                                |
| <b>Ms. Fathima Jasna Kottekattu</b> | Mr. Mohammed Kutty             | Father                         |
|                                     | Ms. Ayishabeevi V A            | Mother                         |
|                                     | Mr. Ashraf P                   | Spouse                         |
|                                     | -                              | Brother                        |
|                                     | Ms. Jahsha Muhammed K K        | Sisters                        |
|                                     | Ms. Ayisha Jasni K K           |                                |
|                                     | Master Muhammed Haani P        | Son                            |
|                                     | Master Muhammed Haadhi         |                                |
|                                     | Ms. Ayisha Ashraf P            | Daughter                       |
|                                     | Mr. Kunhimohamed P             | Spouse's Father                |
|                                     | Ms. Asya                       | Spouse's Mother                |
|                                     | Mr. Afzal Rahman               | Spouse's Brother               |
|                                     | Ms. Hasnath                    | Spouse's Sisters               |
|                                     | Ms. Haseena                    |                                |
|                                     | Ms. Naziya Thoiba              |                                |

## **B. Companies / Corporate Entities Forming Part of the Promoter Group**

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

| <b>Sr. No.</b> | <b>Name of Promoter Group Entity/Company</b>   |
|----------------|--|
| 1.             | Vismaya Furniture (Partnership Firm of Mr. Ashraf P, Mr. Kunhimohamed P and Mr. Afzal Rahman PK)                           |
| 2.             | Vismaya Gold (Proprietorship concern of Ashraf P)  |
| 3.             | A J C Jewellery Trading L.L.C  |
| 4.             | AJC Jewel Manufactures (FZE)   |
| 5.             | Kurunhikattil Pharmaceuticals (Partnership Firm)   |
| 6.             | Team Hola LLP (Designated partners are Mr. Mohammed Abdul Shareef M, Mr. Ayoob Kalliyath and Mr. Mohammed Ramshad Pathath) |
| 7.             | Inco Agro & Fibers LLP (Designated partners are of Mr. Mohammed Abdul Shareef M and Mohammed Ramshad Pathath)              |
| 8.             | MBH Enterprises (Proprietorship Firm of Mr. Sirajudheen N)   |

## **SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please see the chapter titled “*Capital Structure*” beginning on page 91 of this Draft Red Herring Prospectus.

## **COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus.

## **OUTSTANDING LITIGATIONS**

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 35 and 283 respectively of this Draft Red Herring Prospectus.

## **RELATED PARTY TRANSACTIONS**

For the transactions with our Promoter Group entities please refer to chapter titled “Restated Financial Statements” on page 261 of this Draft Red Herring Prospectus.

Except as stated in chapter titled “Restated Financial Statements” on page 227 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

## **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in this section titled “Our Promoters and Promoter Group” and “Our Group Company” beginning on page 218 and 224 Respectively of this Draft Red Herring Prospectus, there are no other ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Draft Red Herring Prospectus.

## OUR GROUP COMPANY

The definition of ‘Group Companies’ as per the SEBI ICDR Regulations, shall include such companies (other than promoters(s), holding Company and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations 2018 and as amended from time to time and in terms of the policy of materiality defined by the Board pursuant to its resolution dated September 24, 2024 our Group Companies includes:

- (a) Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (b) All such companies which are deemed to be material by the Board of Directors. Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Red Herring Prospectus.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Board has identified **A J C JEWELLERY TRADING L.L.C** as the group company of our Company (“Group Company”).

### DETAILS OF OUR GROUP COMPANY

#### **A J C JEWELLERY TRADING L.L.C**

A J C Jewellery Trading L.L.C was incorporated as a Sole Owner L.L.C. on February 08, 2023 with registration number as 1905190 and License number as 1149376 issued from Department of Economy and Tourism Dubai with Mr. Ashraf P as the sole owner of the L.L.C. Its Registered Office is situated at Emirate of Dubai. A J C Jewellery Trading L.L.C is in the business of trading 22k and 18k Gold jewellery, sourcing products from both Local and international suppliers in United Arab Emirates. The status of the L.L.C changed from sole owner to multiple owner pursuant to Shares Sale Agreement, Adding New Partner and Addendum to the Memorandum of Association dated March 04, 2025 by adding new owners to the L.L.C.

#### ***Financial Performance***

As required under the SEBI ICDR Regulations, A J C Jewellery Trading L.L.C shall host the financial information derived from the audited financial statements for the financial year ended March 2024\* on the website of company once it is prepared and filed. Such financial information will be available at <https://ajcjewel.com/>.

*\* A J C Jewellery Trading L.L.C was incorporated in FY 2023, but the corporate tax to be filed by the company will be applicable starting from FY 2024, which runs from 01-01-2024 to 31-12-2024. The tax return due date is 30-09-2025.*

### LITIGATION

Other than as disclosed in “*Outstanding Litigations and Material Developments*” on page 283 of this Draft Red Herring Prospectus, our Group Company is not party to any litigation which may have material impact on our Company.

### NATURE AND EXTENT OF INTEREST OF GROUP COMPANY

Our Group Company do not have any interest in the promotion of our Company.

Our Group Company is not interested in any property acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery.

### COMMON PURSUITS BETWEEN OUR GROUP COMPANY AND OUR COMPANY

None of our Group Company deals in similar business activities as that of our Company, except, A J C Jewellery Trading L.L.C which deals in similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. In addition, Mr. Ashraf P is also director on the board and the shareholder of our group company. These overlapping directorships and shareholding could create conflicts of interest between us and the Promoters.



## **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

Other than the transactions disclosed in “*Annexure XXX - Restated Financial Statements*” beginning on page 261 of this Draft Red Herring Prospectus, there are no other business transactions between our Company and the Group Company which are significant to the financial performance of our Company.

## **BUSINESS INTERESTS OR OTHER INTERESTS**

Except as disclosed in “*Annexure XXX - Restated Financial Statements*” beginning on page 261 of this Draft Red Herring Prospectus, our Group Company do not have any business interest in our Company.

## **OTHER CONFIRMATIONS**

Our Group Company are not listed on any stock exchange. Our Group Company have not made any public or rights issue of securities in the preceding three years.

## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

For details of risks in relation to our capability to pay dividend, see Risk Factors -Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

Our Company has not paid any dividend on the Equity Shares for the period ended on December 31, 2024 and for the Fiscals 2024, 2023, 2022, and until the date of this Draft Red Herring Prospectus.

**SECTION VII – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

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## RESTATED FINANCIAL STATEMENTS

**Independent Auditor's Report on Restated Financial Information of AJC Jewel Manufacturers Limited** (*Formerly known as AJC Jewel Manufacturers Private Limited*) (As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
**The Board of Directors**  
**AJC Jewel Manufacturers Limited**  
(*Formerly known as AJC Jewel Manufacturers Private Limited*)  
Inkel Greens Edu City,  
38/227-Z, Konamppara Road, Karathode,  
Panakkad, Malappuram,  
Kerala- 676519.

**Dear Sir/Ma'am,**

We have examined the attached Restated Financial Information of **AJC Jewel Manufacturers Limited** (*Formerly known as AJC Jewel Manufacturers Private Limited*) (hereinafter referred as "the Company" or the "Issuer") comprising the Restated Statement of Assets and Liabilities of the Company as at December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Statements of Profit and Loss of the company, the Restated Cash Flow Statement of the company for the period ended on December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as "Restated Financial Statement" or "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held as on 15<sup>th</sup> April, 2025 for the purpose of inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") at SME Platform of BSE Limited ("BSE SME").

1. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus to be filed with Securities and Exchange Board of

India (“SEBI”), the relevant Stock Exchange (“BSE SME”) and Registrar of Companies, Ernakulam (“ROC”) in connection with the proposed SME IPO. The Restated Financial Information of the company have been extracted and prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 24<sup>th</sup> March, 2025 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. This Restated Financial Information have been compiled by the management from:
  - a) Audited financial statements of the Company as at and for the period ended December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, prepared in accordance with the Indian Accounting Standards (“Indian GAAP”) which have been approved by the Board of Directors.
5. For the purpose of our examination, we have relied on:
  - b) Auditors’ Report issued by M/s. Kumar & Biju Associates LLP dated 26<sup>th</sup> February, 2025, 31<sup>st</sup> August, 2022, 19<sup>th</sup> October, 2023, and 31<sup>st</sup> August, 2024 on the financial statements of the company as at and for the period December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 respectively, as referred in Paragraph 5(a) above.

Reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as “Restated Financial Statement” or “Restated Financial Information”) examined by us for the said years.

6. Based on our examination and according to the information and explanations given to us, we report that:
  - a) The “Restated Summary Statement of Assets and Liabilities” as set out in **Annexure I** to this report, of the Company as at and for period ended on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by

the Board of Directors. These Restated summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

- b) The “Restated Summary Statement of Profit and Loss” as set out in **Annexure II** to this report, of the Company as at and for the period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- c) The “Restated Summary Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company as at and for the period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- d) The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
- f) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- g) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the period ended December 31, 2024, March 31, 2024 and March 31, 2023, March 31, 2022.
- h) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this report;
- i) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of adjustments for Deferred Tax Assets/Liabilities made basis in the Restated Summary Statements;
- j) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- k) The company has not proposed any dividend in past effective for the said period.

7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus.

| <b>Annexure No.</b> | <b>Particulars</b>   |
|---------------------|--|
| I                   | Restated Statement of Assets & Liabilities   |
| II                  | Restated Statement of Profit & Loss  |
| III                 | Restated Cash Flow Statement   |
| IV (A)              | Statement of Significant Accounting Policies & Notes   |
| IV (B)              | Reconciliation of Restated Profit  |
| IV (C)              | Reconciliation of Restated Equity/ Net Worth   |
| V                   | Restated Statement of Share Capital  |
| VI                  | Restated Statement of Reserves & Surplus   |
| VIIA                | Restated Statement of Long/Short -Term Borrowings  |
| VIII                | Restated Statement of Other Long Term Borrowings   |
| VII (B)             | Nature of security & terms of repayment for long/ short term borrowings including current maturities |
| IX                  | Restated Statement of Long-Term Provisions   |
| X                   | Restated Statement of Trade Payable  |
| XI                  | Restated Statement of Other Current Liabilities  |
| XII                 | Restated Statement of Short-Term Provisions  |
| XIII                | Restated Statement of Property, Plant, and Equipment   |
| XIV                 | Restated Statement of Deferred Tax Liabilities/ Assets   |
| XV                  | Restated Statement of Long-Term Loans and Advances   |
| XVI                 | Restated Statement of Non-Current Assets   |
| XVII                | Restated Statement of Inventories  |
| XVIII               | Restated Statement of Trade Receivable   |
| XIX                 | Restated Statement of Cash & Cash Equivalents  |
| XX                  | Restated Statement of Short-Term Loans and Advances  |
| XXI                 | Restated Statement of Other Current Assets   |
| XXII                | Restated Statement of Revenue from Operations  |
| XXIII               | Restated Statement of Other Income   |
| XXIV                | Restated Statement of Cost of Material Consumed  |
| XXV                 | Restated Statement of Changes in Inventories   |
| XXVI                | Restated Statement of Employee Benefit Expenses  |
| XXVII               | Restated Statement of Financial Cost   |
| XXVIII              | Restated Statement of Other Expenses   |
| XXIX                | Restated Standalone Statement of Financial Ratio   |
| XXX                 | Restated Statement of Related Parties Transactions   |
| XXXI                | Statement of Capitalization, As Restated   |
| XXXII               | Statement of Tax Shelter, As Restated  |
| XXXIII              | Statement of Contingent Liabilities & Commitments, As Restated                                       |
| XXXIV               | Statement of Other Financial Information, As Restated  |
| XXXV                | Notes to Standalone Restated Financial Statement   |

8. We, M/s. Vinay Bhushan & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till 30<sup>th</sup> June, 2026.
9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the relevant stock exchange ("BSE SME") and Registrar of Companies, Ernakulam ("ROC") in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For M/s. Vinay Bhushan & Associates**  
**Chartered Accountants**  
**Firm's Reg No. 130529W**

**CA. Ankit Shah**  
**Partner**  
**Membership No. 167697**

**Place: Mumbai**  
**Date: 15<sup>th</sup> April, 2025**  
**UDIN: 25167697BMNXQY6480**

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**AJC JEWEL MANUFACTURERS LIMITED**  
**(FORMERLY KNOWN AS AJC JEWEL MANUFACTURERS PRIVATE LIMITED)**  
CIN: U93090KL2018PLC052621

**ANNEXURE – I**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

| Particulars   | Annexure | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------|----------------------------|-------------------------|-------------------------|-------------------------|
|   |          | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <b>EQUITY AND LIABILITIES</b>   |          |                            |                         |                         |                         |
| <b>Shareholders' funds</b>  |          |                            |                         |                         |                         |
| (a) Share capital   | V        | 444.84                     | 444.84                  | 284.32                  | 284.32                  |
| (b) Reserves and surplus  | VI       | 944.90                     | 759.58                  | 427.64                  | 223.75                  |
|   |          | 1,389.74                   | 1,204.42                | 711.96                  | 508.07                  |
| <b>Non-current liabilities</b>  |          |                            |                         |                         |                         |
| (a) Long-term Borrowings  | VIIA     | 160.26                     | 121.03                  | 141.43                  | -                       |
| (b) Deferred tax liabilities (Net)  | XIV      | 10.00                      | 8.58                    | 5.15                    | 1.26                    |
| (c) Other Long term liabilities   | VIII     | 8.22                       | 8.22                    | 8.22                    | -                       |
| (d) Long term provisions  | IX       | 3.04                       | 16.03                   | 10.30                   | 4.63                    |
|   |          | 181.52                     | 153.86                  | 165.10                  | 5.89                    |
| <b>Current liabilities</b>  |          |                            |                         |                         |                         |
| (a) Short term borrowings   | VIIA     | 1,681.14                   | 2,127.27                | 2,481.96                | 660.61                  |
| (b) Trade payables  | X        |                            |                         |                         |                         |
| (i) total outstanding dues of micro and small enterprises;                      |          | 9.76                       | 12.07                   | 1.23                    | 110.61                  |
| (ii) total outstanding dues of creditors other than micro and small enterprises |          | 13.14                      | 38.41                   | 138.96                  | 177.58                  |
| (c) Other current liabilities   | XI       | 116.43                     | 85.50                   | 68.97                   | 140.67                  |
| (d) Short-term provisions   | XII      | 36.62                      | 51.18                   | 31.74                   | 38.90                   |
|   |          | 1,857.09                   | 2,314.43                | 2,722.86                | 1,128.37                |
| <b>TOTAL</b>  |          | <b>3,428.35</b>            | <b>3,672.71</b>         | <b>3,599.92</b>         | <b>1,642.33</b>         |
| <b>ASSETS</b>   |          |                            |                         |                         |                         |
| <b>Non-current assets</b>   |          |                            |                         |                         |                         |
| (a) Property, plant and equipment and Intangible assets                         |          |                            |                         |                         |                         |
| (i) Property, Plant and Equipment   | XIII     | 360.11                     | 382.30                  | 277.53                  | 117.64                  |
| (ii) Intangible assets  | XIII     | 9.85                       | 10.83                   | 11.54                   | 2.66                    |
| (iii) Capital Work in Progress  | XIII     | -                          | -                       | 59.66                   | -                       |
| (c) Deferred tax assets (net)   | XIV      | -                          | -                       | -                       | -                       |
| (d) Long-term loans and advances  | XV       | -                          | -                       | -                       | -                       |
| (e) Other non-current assets  | XVI      | 0.41                       | 1.64                    | 3.92                    | 2.97                    |
|   |          | 370.37                     | 394.77                  | 352.65                  | 123.27                  |
| <b>Current assets</b>   |          |                            |                         |                         |                         |
| (a) Inventories   | XVII     | 1,588.91                   | 1,685.53                | 1,652.79                | 17.50                   |
| (b) Trade receivables   | XVIII    | 1,099.95                   | 1,307.88                | 1,458.40                | 1,447.50                |
| (c) Cash and cash equivalents   | XIX      | 238.18                     | 178.02                  | 65.70                   | 10.86                   |
| (d) Short-term loans and advances   | XX       | 114.36                     | 93.34                   | 64.47                   | 38.66                   |
| (e) Other current assets  | XXI      | 16.58                      | 13.17                   | 5.91                    | 4.54                    |
|   |          | 3,057.98                   | 3,277.94                | 3,247.27                | 1,519.06                |
| <b>TOTAL</b>  |          | <b>3,428.35</b>            | <b>3,672.71</b>         | <b>3,599.92</b>         | <b>1,642.33</b>         |

As per our report of even date attached

For Vinay Bhushan & Associates  
Chartered Accountants  
FRN: 130529W  
Peer Review No: 015503

For and on behalf of the Board of Directors of  
**AJC Jewel Manufacturers Limited**  
*(formerly known as AJC Jewel Manufacturers Private Limited)*

CA Ankit Shah  
Partner  
Membership No : 167697

Ashraf Perinkadakkad  
DIN: 08094239  
Chairman & Managing Director

Mohamedali Cheruparambil  
DIN: 10691112  
Whole-time Director

Mahesh Karattu Vellattu  
Chief Financial Officer

Reshmi Nilambur Kovilakam  
Company Secretary &  
Compliance Officer

Place: Mumbai  
Date: April 15, 2025  
UDIN: 25167697BMNXQY6480

Place: Malappuram  
Date: April 15, 2025

**AJC JEWEL MANUFACTURERS LIMITED**  
**(FORMERLY KNOWN AS AJC JEWEL MANUFACTURERS PRIVATE LIMITED)**  
CIN: U93090KL2018PLC052621

**ANNEXURE- II**

**RESTATED STATEMENT OF PROFIT AND LOSS**

| Particulars   | Annexure | For the period ended<br>December 31, 2024 | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|----------|---|--------------------------------------|--------------------------------------|--------------------------------------|
|   |          | (Rs. in lakhs)                            | (Rs. in lakhs)                       | (Rs. in lakhs)                       | (Rs. in lakhs)                       |
| <b>Income</b>   |          |   |                                      |                                      |                                      |
| Revenue from operations   | XXII     | 17,504.76                                 | 24,588.99                            | 19,418.14                            | 12,739.10                            |
| Other income  | XXIII    | 47.97                                     | 95.15                                | 6.64                                 | 0.58                                 |
| <b>TOTAL INCOME</b>   |          | <b>17,552.73</b>                          | <b>24,684.14</b>                     | <b>19,424.78</b>                     | <b>12,739.68</b>                     |
| <b>Expenses</b>   |          |   |                                      |                                      |                                      |
| (a) Cost of materials consumed                                    | XXIV     | 16,716.08                                 | 23,536.54                            | 20,044.59                            | 12,303.56                            |
| (b) Purchase of stock-in-trade                                    |          | -   | -                                    | -                                    | -                                    |
| (c) Changes in inventories of finished goods and work-in-progress | XXV      | 40.04                                     | (23.94)                              | (1,472.90)                           | (17.50)                              |
| (d) Employee benefits expense                                     | XXVI     | 305.63                                    | 436.93                               | 385.02                               | 181.31                               |
| (e) Finance costs   | XIII     | 136.28                                    | 160.45                               | 90.94                                | 32.60                                |
| (f) Depreciation and amortisation expense                         | XXVII    | 26.09                                     | 31.94                                | 24.10                                | 7.06                                 |
| (g) Other expenses  | XXVIII   | 78.94                                     | 99.81                                | 67.35                                | 57.76                                |
| <b>TOTAL EXPENSES</b>   |          | <b>17,303.06</b>                          | <b>24,241.73</b>                     | <b>19,139.10</b>                     | <b>12,564.79</b>                     |
| <b>Profit / (Loss) before tax</b>                                 |          | <b>249.67</b>                             | <b>442.39</b>                        | <b>285.68</b>                        | <b>174.89</b>                        |
| <b>Tax expenses:</b>  |          |   |                                      |                                      |                                      |
| (a) Current tax expense   |          | 62.93                                     | 107.02                               | 77.90                                | 48.62                                |
| (b) Earlier year Tax  |          | -   | -                                    | -                                    | -                                    |
| (c) Deferred tax expense / (benefit)                              |          | 1.42                                      | 3.43                                 | 3.89                                 | 0.08                                 |
| <b>Net tax expense/(benefit)</b>                                  |          | <b>64.35</b>                              | <b>110.45</b>                        | <b>81.79</b>                         | <b>48.70</b>                         |
| <b>Profit / (Loss) for the year</b>                               |          | <b>185.32</b>                             | <b>331.94</b>                        | <b>203.89</b>                        | <b>126.19</b>                        |
| <b>Earnings per share (of Rs. 10 each)</b>                        |          |   |                                      |                                      |                                      |
| (a) Basic & Diluted   |          | 4.17                                      | 8.24                                 | 7.17                                 | 4.44                                 |

As per our report of even date attached

For Vinay Bhushan & Associates  
Chartered Accountants  
FRN: 130529W  
Peer Review No: 015503

For and on behalf of the Board of Directors of  
**AJC Jewel Manufacturers Limited**  
*(formerly known as AJC Jewel Manufacturers Private Limited)*

CA Ankit Shah  
Partner  
Membership No : 167697

Ashraf Perinkadakkad  
DIN: 08094239  
Chairman & Managing Director

Mohamedali Cheruparambil  
DIN: 10691112  
Whole-time Director

Mahesh Karattu Vellattu  
Chief Financial Officer

Reshmi Nilambur Kovilakam  
Company Secretary &  
Compliance Officer

Place: Mumbai  
Date: April 15, 2025  
UDIN: 25167697BMNXQY6480

Place: Malappuram  
Date: April 15, 2025

**AJC JEWEL MANUFACTURERS LIMITED**  
**(FORMERLY KNOWN AS AJC JEWEL MANUFACTURERS PRIVATE LIMITED)**  
**CIN: U93090KL2018PLC052621**

**ANNEXURE- III**

**RESTATED CASH FLOW STATEMENT**

| Particulars   | For the period ended<br>December 31, 2024 | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|---|--------------------------------------|--------------------------------------|--------------------------------------|
|   | (Rs. in lakhs)                            | (Rs. in lakhs)                       | (Rs. in lakhs)                       | (Rs. in lakhs)                       |
| <b>A Cash flow from operating activities:</b>                           |   |                                      |                                      |                                      |
| Net profit before tax   | 249.67                                    | 442.39                               | 285.68                               | 174.89                               |
| <b>Adjustments:</b>   |   |                                      |                                      |                                      |
| Depreciation & Amortisation   | 26.09                                     | 31.94                                | 24.10                                | 7.06                                 |
| (Profit)/ Loss on sale of Fixed Assets                                  | 3.43                                      | -                                    | -                                    | -                                    |
| Interest Income   | (0.69)                                    | (9.41)                               | (0.44)                               | -                                    |
| Finance Cost  | 136.28                                    | 160.45                               | 90.94                                | 32.60                                |
| Provision for Gratuity  | 5.02                                      | 6.48                                 | 6.95                                 | 5.60                                 |
|   | 170.13                                    | 189.46                               | 121.55                               | 45.26                                |
| <b>Operating cash flow before working capital changes</b>               | <b>419.80</b>                             | <b>631.85</b>                        | <b>407.23</b>                        | <b>220.15</b>                        |
| <b>Movement in working capital</b>                                      |   |                                      |                                      |                                      |
| I. Adjustments for (Increase)/decrease in operating assets :            |   |                                      |                                      |                                      |
| Trade receivables   | 207.93                                    | 150.52                               | (10.90)                              | (1,395.66)                           |
| Inventories   | 96.62                                     | (32.74)                              | (1,635.29)                           | 670.72                               |
| Short-term loans & advance  | (21.02)                                   | (28.87)                              | (25.81)                              | (38.66)                              |
| Other Current Assets  | (3.41)                                    | (7.26)                               | (1.37)                               | 114.97                               |
| II. Adjustments for Increase/(decrease) in operating liabilities :      |   |                                      |                                      |                                      |
| Trade payables  | (27.58)                                   | (89.71)                              | (148.00)                             | 47.86                                |
| Other current liabilities   | 22.71                                     | 8.31                                 | (63.48)                              | (6.73)                               |
| Short-term provision- (Gratuity contribution to LIC)                    | (19.04)                                   | -                                    | -                                    | -                                    |
|   | 256.22                                    | 0.25                                 | (1,884.85)                           | (607.50)                             |
| Cash generated from operations  | 676.02                                    | 632.10                               | (1,477.62)                           | (387.35)                             |
| Net income taxes paid   | (72.09)                                   | (80.07)                              | (86.36)                              | (10.08)                              |
| <b>Net cash (used in) / provided by oprating activities (A)</b>         | <b>603.92</b>                             | <b>552.03</b>                        | <b>(1,563.98)</b>                    | <b>(397.43)</b>                      |
| <b>B Cash flows from investing activities:</b>                          |   |                                      |                                      |                                      |
| Purchase of fixed assets & including intangible assets                  | (13.81)                                   | (76.35)                              | (252.52)                             | (12.91)                              |
| Sales of fixed assets & including intangible assets                     | 11.29                                     | -                                    | -                                    | -                                    |
| Interest Received   | 0.69                                      | 9.41                                 | 0.44                                 | -                                    |
| <b>Net cash provided by / (used in) investing activities (B)</b>        | <b>(1.83)</b>                             | <b>(66.94)</b>                       | <b>(252.08)</b>                      | <b>(12.91)</b>                       |
| <b>C Cash flows from Financing activities:</b>                          |   |                                      |                                      |                                      |
| Proceeds from Long Term Borrowings                                      | 160.26                                    | 3.00                                 | 175.02                               | -                                    |
| Repayment of Long Term Borrowings                                       | (121.03)                                  | (23.41)                              | (33.58)                              | -                                    |
| Issuance of Share Capital   | -   | 160.51                               | -                                    | -                                    |
| Security Deposits (paid)/received                                       | 1.23                                      | 2.28                                 | (0.95)                               | (2.97)                               |
| Proceeds from Short Term Borrowings                                     | 953.99                                    | 1,451.77                             | 2,113.28                             | 476.07                               |
| Repayment of Short Term Borrowings                                      | (1,400.12)                                | (1,806.46)                           | (291.92)                             | (54.02)                              |
| Interest paid   | (136.28)                                  | (160.45)                             | (90.94)                              | (32.60)                              |
| <b>Net cash flow from/ (used in) financing activities (C)</b>           | <b>(541.95)</b>                           | <b>(372.76)</b>                      | <b>1,870.90</b>                      | <b>386.48</b>                        |
| <b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b> | <b>60.15</b>                              | <b>112.33</b>                        | <b>54.84</b>                         | <b>(23.86)</b>                       |
| <b>Cash &amp; cash equivalents as at the beginning of the year</b>      | <b>178.03</b>                             | <b>65.70</b>                         | <b>10.86</b>                         | <b>34.72</b>                         |
| <b>Cash &amp; cash equivalents as at the end of the year</b>            | <b>238.18</b>                             | <b>178.03</b>                        | <b>65.70</b>                         | <b>10.86</b>                         |
| <b>Notes to Cash Flow Statement</b>                                     |   |                                      |                                      |                                      |
| 1 Component of cash and cash equivalent :                               |   |                                      |                                      |                                      |
| - Cash in hand  | 11.67                                     | 17.12                                | 4.94                                 | 10.86                                |
| - Balance with Bank   | 226.51                                    | 160.91                               | 60.76                                | -                                    |
|   | 238.18                                    | 178.03                               | 65.70                                | 10.86                                |

As per our report of even date attached

For Vinay Bhushan & Associates  
Chartered Accountants  
FRN: 130529W  
Peer Review No: 015503

For and on behalf of the Board of Directors of  
**AJC Jewel Manufacturers Limited**  
*(formerly known as AJC Jewel Manufacturers Private Limited)*

CA Ankit Shah  
Partner  
Membership No : 167697

Ashraf Perinkadakkad  
DIN: 08094239  
Chairman & Managing Director

Mohamedali Cheruparambil  
DIN: 10691112  
Whole-time Director

Mahesh Karattu Vellattu  
Chief Financial Officer

Reshmi Nilambur Kovilakam  
Company Secretary &  
Compliance Officer

Place: Mumbai  
Date: April 15, 2025  
UDIN: 25167697BMNXQY6480

Place: Malappuram  
Date: April 15, 2025

## ANNEXURE IV (A)

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS

#### 1 COMPANY INFORMATION

AJC Jewel Manufacturers Limited was incorporated on 23rd March, 2018, and having its registered office at 38/227-Z, Inkel Greens Educity, Karathode-Konamppara Road, Panakkad Village, Malappuram (Dt.), Kerala, India-676519. AJC Jewel Manufacturers Limited specializes in designing and producing high-quality jewelry and Operating a modern factory equipped with advanced machinery for waxing and casting, enabling to create intricate designs with precision. The Company has been converted from Private Limited Company to Public Limited Company vide necessary resolution passed by shareholders and the name of company is this day changed to AJC Jewel Manufacturers Limited pursuant to issuance of Certificate of Incorporation dated 24th September, 2024. Now, the CIN is U93090KL2018PLC052621.

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### a) Basis of Preparation

The Restated Summary Statement of Assets and Liabilities of the Company as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the related Restated Summary Statement of Profit and Losses and Cash Flows Statement for the period ended on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 have been compiled by management from the financial statements of the company for the period ended on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified to in section 133 of the Companies Act 2013, read with rule 7 of the Companies (Account) Rules, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented as per schedule III to Companies Act, 2013.

##### b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

##### c) Revenue Recognition

The Company follows the accrual method of accounting and all claims, receivable and liabilities are provided on that basis. All revenue is recognized on accrual basis except non-recruiting income is accounted otherwise.

##### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales excludes Goods & Service Tax

##### Sale of Services

Revenue from sale of services is recognized net of goods and service tax and as and when the services are rendered. Interest incomes/expenses are recognised using the time proportion method based on the rates implicit in the transaction

**d) Property, Plant and Equipment**

**Property, plant and equipment** are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

**e) Depreciation**

**i. Property, Plant & Equipment**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the written down value method as per the useful lives as prescribed in Schedule II to the Companies Act, 2013.

**ii. Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible Assets are amortized on straight line basis over a period of five years being the estimated useful life.

Intangible asset are recognised as per Accounting Standard 26 Intangible Asset.

An intangible asset is recognised if and only if

- (a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and
- (b) the cost of the asset can be measured reliably.

**f) Assets Acquired as Lease**

The cost of Leasehold Land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower

**g) Inventories**

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is generally determined on weighted average basis except for inventory segregated for a specific order / project, in which case it is valued at their specific costs of purchase. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**h) Foreign currency transactions**

**Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**Measurement at the balance sheet date:**

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

**Treatment of exchange differences:**

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

**i) Employee benefits****Short-term employee benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, leave encashment, incentives etc. and the same are recognised in the period in which the employee renders the related service.

**Defined contribution plans**

The Company's contribution to provident fund and Gratuity Fund of LIC is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. From the financial year 2024-25, the company has chosen to contribute to the Gratuity Fund through the LIC scheme.

**j) Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**k) Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**l) Borrowing costs**

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

**m) Earnings per Share**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares, if any.

**n) Impairment of assets**

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

**o) Operating Cycle:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

**p) Changes in Accounting Policies in the Periods/ Years Covered in the Restated Financials**

There is only change in Significant Accounting Policies which needs to be adjusted in the Restated Summary Statements includes the impact of provision of gratuity made on actuarial valuation basis report.

**ANNEXURE- IV (B)**

**RECONCILIATION OF RESTATED PROFIT**

| Particulars   | For the period ended<br>December 31, 2024 | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|---|--------------------------------------|--------------------------------------|--------------------------------------|
|   | (Rs. in lakhs)                            | (Rs. in lakhs)                       | (Rs. in lakhs)                       | (Rs. in lakhs)                       |
| <b>Net Profit/ (loss) after tax as per audited statement of Profit &amp; Loss</b> | 186.42                                    | 311.77                               | 205.65                               | 126.62                               |
| <b>Adjustments for:</b>   |   |                                      |                                      |                                      |
| (Increase)/ Decrease in Expenses  | (0.02)                                    | (0.03)                               | (0.03)                               | (0.03)                               |
| Excess/ (Short) Provision for Tax   | (0.18)                                    | 7.49                                 | 5.13                                 | 3.81                                 |
| Excess/ (Short) Provision for Gratuity  | -   | 12.55                                | (6.95)                               | (5.60)                               |
| Deferred Tax (Liability)/ Assets Adjustment                                       | (0.90)                                    | 0.16                                 | 0.09                                 | 1.39                                 |
| <b>Net Profit/ (loss) after tax as Restated</b>                                   | <b>185.32</b>                             | <b>331.94</b>                        | <b>203.89</b>                        | <b>126.19</b>                        |

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective periods.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

**ANNEXURE- IV (C)**

**RECONCILIATION OF RESTATED EQUITY/ NETWORTH**

| Particulars   | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
|   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <b>Equity/Networth as per audited financial Statements</b>  | 1,373.96                   | 1,187.53                | 715.24                  | 509.60                  |
| <b>Adjustments for:</b>   |                            |                         |                         |                         |
| Differences pertaining to changes in Profit/(Loss) due to Restated Effect for the period covered in Restated Financials | 15.78                      | 16.89                   | (3.28)                  | (1.53)                  |
| <b>Equity/Networth as Restated</b>  | <b>1,389.74</b>            | <b>1,204.42</b>         | <b>711.96</b>           | <b>508.07</b>           |

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective periods.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.



**NOTES TO THE RESTATED FINANCIAL INFORMATION**

**ANNEXURE- V**

**DETAILS OF SHARE CAPITAL AS RESTATED**

**1. Statement of Share Capital:**

| Particulars                                       | As at<br>December 31, 2024 |                 | As at<br>March 31, 2024 |                 | As at<br>March 31, 2023 |                | As at<br>March 31, 2022 |                |
|---|----------------------------|-----------------|-------------------------|-----------------|-------------------------|----------------|-------------------------|----------------|
|   | Number of shares           | (Rs. in lakhs)  | Number of shares        | (Rs. in lakhs)  | Number of shares        | (Rs. in lakhs) | Number of shares        | (Rs. in lakhs) |
| <b>Authorised Capital</b>                         |                            |                 |                         |                 |                         |                |                         |                |
| Equity shares of Rs.10/- each with voting rights  | 16,00,00,000               | 1,600.00        | 16,00,00,000            | 1,600.00        | -                       | -              | -                       | -              |
| Equity shares of Rs.100/- each with voting rights | -                          | -               | -                       | -               | 4,50,000                | 450.00         | 4,50,000                | 450.00         |
| <b>Total</b>                                      | <b>16,00,00,000</b>        | <b>1,600.00</b> | <b>16,00,00,000</b>     | <b>1,600.00</b> | <b>4,50,000</b>         | <b>450.00</b>  | <b>4,50,000</b>         | <b>450.00</b>  |
| <b>Issued, Subscribed and fully paid up</b>       |                            |                 |                         |                 |                         |                |                         |                |
| Equity shares of Rs.10/- each with voting rights  | 44,48,360                  | 444.84          | 44,48,360               | 444.84          | -                       | -              | -                       | -              |
| Equity shares of Rs.100/- each with voting rights | -                          | -               | -                       | -               | 2,84,322                | 284.32         | 2,84,322                | 284.32         |
| <b>Total</b>                                      | <b>44,48,360</b>           | <b>444.84</b>   | <b>44,48,360</b>        | <b>444.84</b>   | <b>2,84,322</b>         | <b>284.32</b>  | <b>2,84,322</b>         | <b>284.32</b>  |

**Terms/rights attached to equity share:**

1. As on date of report the company has only one class of equity shares.
2. The Company had undertake right issue and issued 1,60,514 equity shares having face value of Rs. 100 each at Rs. 100 each i.e. at Par, by way of passing Board Resolution for allotment of shares dated 5th July, 2023.
3. During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 4,50,00,000 divided into 4,50,000 shares of Rs.100 each to Rs. 5,50,00,000 divided into 5,50,000 shares of Rs.100 each each vide a resolution passed at EGM of the Company held at registered office of the Company on June 27, 2023.
4. During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 5,50,00,000 divided into 5,50,000 shares of Rs.100 each to Rs. 16,00,00,000 divided into 1,60,00,000 shares of Rs.10 each vide a resolution passed at EGM of the Company held at registered office of the Company on March 11, 2024.
5. During the Financial Year 2023-24, the Company has sub-divided the face value of equity shares from Rs. 100/- per share to Rs. 10/- per share which results into increase in number of issued equity shares from 2,84,322 equity shares to 28,43,220 equity shares respectively vide a resolution passed at EGM of the Company held at registered office of the Company on March 11, 2024.

**2. Reconciliation of the number of Shares outstanding at the beginning and at the end of the Period**

| Particulars  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
| <b>At the beginning of the Period</b>                          | 44,48,360                  | 2,84,322                | 2,84,322                | 2,84,322                |
| Additional Shares due to change in Face Value                  | -                          | 40,03,524               | -                       | -                       |
| Issued during the year-Rights Issue (at face value of Rs. 100) | -                          | 1,60,514                | -                       | -                       |
| Redeemed or brought back during the year                       | -                          | -                       | -                       | -                       |
| <b>Total</b>   | <b>44,48,360</b>           | <b>44,48,360</b>        | <b>2,84,322</b>         | <b>2,84,322</b>         |

### 3. Details of shareholders holding more than 5% shares in the Company (in terms of No. of Shares)

| Class of shares / Name of shareholder   | Period ended on December 31, 2024 |                                   | Year ended on March 31, 2024 |                                   | Year ended on March 31, 2023 |                                   | Year ended on March 31, 2022 |                                   |
|---|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|------------------------------|-----------------------------------|------------------------------|-----------------------------------|
|   | Number of shares held             | % holding in that class of shares | Number of shares held        | % holding in that class of shares | Number of shares held        | % holding in that class of shares | Number of shares held        | % holding in that class of shares |
| <b>Equity shares with voting rights</b> |                                   |                                   |                              |                                   |                              |                                   |                              |                                   |
| Kunhimohamed                            | 12,37,500                         | 27.82%                            | 12,37,500                    | 27.82%                            | 50,500                       | 17.76%                            | 50,500                       | 17.76%                            |
| Abdul Rasik                             | 4,29,000                          | 9.64%                             | 4,75,590                     | 10.69%                            | 8,002                        | 2.81%                             | 8,002                        | 2.81%                             |
| Ashraf Perinkadakkad                    | 16,58,630                         | 37.29%                            | 15,90,340                    | 35.75%                            | 500                          | 0.18%                             | 500                          | 0.18%                             |
| Asya                                    | 3,06,770                          | 6.90%                             | 3,06,770                     | 6.90%                             | 7,445                        | 2.62%                             | 7,445                        | 2.62%                             |
| Sharafali                               | 4,29,000                          | 9.64%                             | 4,50,700                     | 10.13%                            | 3,107                        | 1.09%                             | 3,107                        | 1.09%                             |
| <b>Total</b>                            | <b>40,60,900</b>                  | <b>91.29%</b>                     | <b>40,60,900</b>             | <b>91.29%</b>                     | <b>69,554</b>                | <b>24.46%</b>                     | <b>69,554</b>                | <b>24.46%</b>                     |

### 4. Shares held by promoters

| Name of promoters                       | Period ended on December 31, 2024 |                  |                            | Year Ending on March 31, 2024 |                  |                          |
|---|-----------------------------------|------------------|----------------------------|-------------------------------|------------------|--------------------------|
|   | No. of Share                      | % of Total Share | % Change during the period | No. of Share                  | % of Total Share | % Change during the year |
| <b>Equity shares with voting rights</b> |                                   |                  |                            |                               |                  |                          |
| Kunhimohamed                            | 12,37,500                         | 27.82%           | 0.00%                      | 12,37,500                     | 27.82%           | 56.63%                   |
| Ashraf Perinkadakkad                    | 16,58,630                         | 37.29%           | 4.29%                      | 15,90,340                     | 35.75%           | 20229.68%                |
| Fatima Jasna Kottekkattu                | 2,15,400                          | 4.84%            | 0.00%                      | 2,15,400                      | 4.84%            | 82.59%                   |
|   | <b>12,37,500</b>                  | <b>69.95%</b>    | <b>2.24%</b>               | <b>12,37,500</b>              | <b>68.41%</b>    | <b>232.27%</b>           |

### 5. Shares held by promoters

| Name of promoters                       | Year Ending on March 31, 2023 |                  |                          | Year Ending on March 31, 2022 |                  |                          |
|---|-------------------------------|------------------|--------------------------|-------------------------------|------------------|--------------------------|
|   | No. of Share                  | % of Total Share | % Change during the year | No. of Share                  | % of Total Share | % Change during the year |
| <b>Equity shares with voting rights</b> |                               |                  |                          |                               |                  |                          |
| Kunhimohamed                            | 50,500                        | 17.76%           | 0.00%                    | 50,500                        | 17.76%           | 0.00%                    |
| Ashraf Perinkadakkad                    | 500                           | 0.18%            | 0.00%                    | 500                           | 0.18%            | 0.00%                    |
| Fatima Jasna Kottekkattu                | 7,540                         | 2.65%            | 0.00%                    | 7,540                         | 2.65%            | 0.00%                    |
|   | <b>58,540</b>                 | <b>20.59%</b>    | <b>0.00%</b>             | <b>58,540</b>                 | <b>20.59%</b>    | <b>0.00%</b>             |

### Terms & Rights attached to Equity Shares

The Company has issued one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
- The Company had undertake right issue and issued 1,60,514 equity shares having face value of Rs. 100 each at Rs. 100 each i.e. at Par, by way of passing Board Resolution for allotment of shares dated 5th July, 2023.
- During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 4,50,00,000 divided into 4,50,000 shares of Rs.100 each to Rs. 5,50,00,000 divided into 5,50,000 shares of Rs.100 each each vide a resolution passed at EGM of the Company held at registered office of the Company on June 27, 2023.
- During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 5,50,00,000 divided into 5,50,000 shares of Rs.100 to Rs. 16,00,00,000 divided into 1,60,00,000 shares of Rs.10 each vide a resolution passed at EGM of the Company held at registered office of the Company on March 11, 2024.
- During the Financial Year 2023-24, the Company has sub-divided the face value of equity shares from Rs. 100/- per share to Rs. 10/- per share which results into increase in number of issued equity shares from 2,84,322 equity shares to 28,43,220 equity shares respectively vide a resolution passed at EGM of the Company held at registered office of the Company on March 11, 2024.

**ANNEXURE- VI**

**DETAILS OF RESERVES & SURPLUS AS RESTATED**

| Particulars  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
|  | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <b>Surplus / (Deficit) in Statement of Profit and Loss</b> |                            |                         |                         |                         |
| Balance at the beginning of the period                     | 759.58                     | 427.63                  | 223.76                  | 97.57                   |
| Add: Profit / (Loss) of the period                         | 185.32                     | 331.95                  | 203.88                  | 126.19                  |
| <b>Balance at the end of the period</b>                    | <b>944.90</b>              | <b>759.58</b>           | <b>427.63</b>           | <b>223.76</b>           |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
3. The Company had undertake right issue and issued 1,60,514 equity shares having face value of Rs. 100 each at Rs. 100 each i.e. at Par, by way of passing Board Resolution for allotment of shares dated 5th July, 2023.
4. During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 4,50,00,000 divided into 4,50,000 shares of Rs.100 each to Rs. 5,50,00,000 divided into 5,50,000 shares of Rs.100 each each vide a resolution passed at EGM of the Company held at registered office of the Company on June 27, 2023.
5. During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 5,50,00,000 divided into 5,50,000 shares of Rs.100 to Rs. 16,00,00,000 divided into 1,60,00,000 shares of Rs.10 each vide a resolution passed at EGM of the Company held at registered office of the Company on March 11, 2024.
6. During the Financial Year 2023-24, the Company has sub-divided the face value of equity shares from Rs. 100/- per share to Rs. 10/- per share which results into increase in number of issued equity shares from 2,84,322 equity shares to 28,43,220 equity shares respectively vide a resolution passed at EGM of the Company held at registered office of the Company on March 11, 2024.

# ANNEXURE- VIIA

## DETAILS OF LONG/ SHORT TERM BORROWINGS AS RESTATED

| Particulars                                       | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
|   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <b>LONG TERM BORROWINGS</b>                       |                            |                         |                         |                         |
| <b><u>Secured Loan</u></b>                        |                            |                         |                         |                         |
| From Banks  | 49.05                      | 121.03                  | 141.43                  | -                       |
| <b><u>Unsecured Loan</u></b>                      |                            |                         |                         |                         |
| From Banks  | 25.28                      | -                       | -                       | -                       |
| From Financial Institutions                       | 85.93                      | -                       | -                       | -                       |
| <b>Total</b>                                      | <b>160.26</b>              | <b>121.03</b>           | <b>141.43</b>           | <b>-</b>                |
| <b>SHORT TERM BORROWINGS</b>                      |                            |                         |                         |                         |
| <b><u>Secured Loan</u></b>                        |                            |                         |                         |                         |
| Cash Credit                                       | 791.10                     | 651.82                  | 716.82                  | 332.59                  |
| Gold Metal Loan (GML)                             | 821.80                     | 1,451.77                | 1,396.46                | -                       |
| <b><u>Unsecured Loan</u></b>                      |                            |                         |                         |                         |
| From Directors                                    | -                          | -                       | 206.86                  | 178.28                  |
| From Financial Institutions                       | -                          | 0.62                    | 1.97                    | 9.89                    |
| From Other Parties                                | -                          | -                       | 136.32                  | 139.84                  |
| <b>Current Maturities of long term borrowings</b> | <b>68.24</b>               | <b>23.06</b>            | <b>23.53</b>            | <b>-</b>                |
| <b>Total</b>                                      | <b>1,681.14</b>            | <b>2,127.27</b>         | <b>2,481.96</b>         | <b>660.60</b>           |

### Notes:

1. Nature of Security & Terms of Repayment for Long/ Short Term Borrowings including Current Maturities are disclosed in Annexure VIIB
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

# ANNEXURE- VIII

## DETAILS OF OTHER LONG TERM BORROWINGS AS RESTATED

| Particulars                | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                            | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Security Deposit-Employees | 8.22                       | 8.22                    | 8.22                    | -                       |
| <b>Total</b>               | <b>8.22</b>                | <b>8.22</b>             | <b>8.22</b>             | <b>-</b>                |

### Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

# ANNEXURE- IX

## DETAILS OF LONG TERM PROVISIONS AS RESTATED

| Particulars                             | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
|   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <b>Provision for employee benefits:</b> |                            |                         |                         |                         |
| - Gratuity                              | 3.04                       | 16.03                   | 10.30                   | 4.63                    |
| <b>Total</b>                            | <b>3.04</b>                | <b>16.03</b>            | <b>10.30</b>            | <b>4.63</b>             |

### Notes:

1. The Provisioning for Gratuity has been taken into account based on the Actuarial Valuer Report.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## ANNEXURE- VIIB

## NATURE OF SECURITY &amp; TERMS OF REPAYMENT FOR LONG/ SHORT TERM BORROWINGS INCLUDING CURRENT MATURITIES

(Rs. in lakhs)

| S. No. | Lender                                   | Type      | Nature of Facility   | Loan (Rs. in Lakhs)  | Amount Outstanding as at December 31, 2024 | Rate of Interest  | Repayment Terms  | Security/Principal Terms & Condition   |
|--------|--|-----------|--|--|--|---|--|--|
| 1      | Axis Bank                                | Secured   | Cash Credit  | Limit-500.00   | 63.95                                      | 9.00% per annum   | -  | <b>Primary:</b><br>1) Hypothecation of entire current assets of the borrower present and future.<br><b>Ranking:</b> First Pari Passu basis with ICICI Bank<br><br><b>Collateral:</b> Equitable Mortgage of the following Property:<br><b>1) Leasehold Industrial Property admeasuring 50 cents with building at in SY No 188/2 of Panakkad Village, Eranad Taluk, Malappuram District, leased by M/s. INKEL KSIDC Projects Ltd. to M/s. AJC Jewel Manufacturers Pvt. Ltd.</b><br><br><b>Guarantor:</b> Personal Guarantee of Directors.  |
| 2      | Axis Bank                                | Secured   | Gold Metal Loan (Note: Subjected to Bank being allowed to offer this product by RBI) GML as Sub Limit of CC facility | 450.00 Sub-Limit of above Axis Bank-   | 286.66                                     | Linked to the International Gold Interest Rate As per Treasury Rate | <b>For Domestic Sales:</b><br>Lower of 180 days and gross operating cycle of the borrower assessed by the bank based on the latest audited financials<br><b>For Export Sales:</b><br>Lower of 270 days (90 days for manufacturing and 180 days for realisation of exports) and gross operating cycle of the borrower assessed by the bank based on the latest audited financials | <b>GML:</b><br>i) By way of earmarking the available DP to the extend of 110% of the value of gold being disbursed<br>ii) Other Security as applicable for CC facility<br>iii) No drawing under CC facility would be permitted against the DP already earmarked for GML facility.<br>If only XAU/USD is priced then, margin/security cover of 102% of the notional liability will be applicable<br>If USD/INR is also booked along with XAU/USD margin/security cover of 100% of the notional liability will be applicable and there will be no MTM for the Gold Metal Loan as liability is fixed  |
| 3      | ICICI Bank                               | Secured   | Auto Loan  | 9.00   | 8.87                                       | 9.70% per annum   | Repayable in 60 months   | Hypothecation of Vehicle- Mahindra Bolero Neo N4   |
| 4      | ICICI Bank                               | Secured   | Auto Loan  | 50.00  | 49.63                                      | 11.5% per annum   | Repayable in 60 months   | Hypothecation of Vehicle: Mercedes Benz- GLC220D   |
| 5      | Kisetsu Saison Finance (India) Pvt. Ltd. | Unsecured | Business Loan  | 60.00  | 60.00                                      | 16.00% per annum  | Repayable in 24 months   | -  |
| 6      | SMFG India Credit Co. Ltd.               | Unsecured | Business Loan  | 30.21  | 30.21                                      | 17.00% per annum  | Repayable in 25 months   | -  |
| 7      | TATA Capital                             | Unsecured | Business Loan Verified Income Program  | 40.63  | 40.63                                      | 16.00% per annum  | Repayable in 48 months   | -  |
| 8      | ICICI Bank                               | Unsecured | Business Loan  | 45.00  | 39.16                                      | 15.50% per annum  | Repayable in 36 months   | <b>Lien &amp; Set off:</b><br>1. Without prejudice to any rights of ICICI Bank, ICICI Bank shall have a paramount lien and right of set-off against all monies of the Borrower standing to the credit of the Borrower in any account(s) (including fixed deposit) of the Borrower with ICICI Bank, whether held singly or jointly, and on any monies, securities, bonds and other assets, documents and properties held by / under the control of ICICI Bank and the Borrower authorises ICICI Bank to debit the account(s) of the Borrower with ICICI Bank or to apply any credit balance to which the Borrower is entitled on any account of the Borrower with ICICI Bank in satisfaction of any sum, whether for principal or interest or otherwise due and payable by the Borrower to ICICI Bank under the loan.<br>2. Nothing herein contained shall prejudice or adversely affect any general or special lien or right to set-off to which ICICI Bank is or may by law or otherwise be entitled or any rights or remedies of ICICI Bank including in respect of any present or future security, guarantee, obligations of the Borrower.<br>3. The Borrower further agrees that in addition to and without prejudice to any other right or lien enjoyed by ICICI Bank, ICICI Bank will further be entitled at any point of time and without notice to the Borrower to combine or consolidate all or any of the Borrower's accounts (including any fixed deposits) held with ICICI Bank and all the credits and liabilities therein and set off or transfer any sum standing to the credit of any one or more of such accounts in or towards satisfaction of any of the Borrower's liabilities to ICICI Bank on any account whatsoever, whether such liabilities are actual or contingent, primary or collateral and whether joint or several. |
| 9      | ICICI Bank*                              | Secured   | Cash Credit  | Limit-2900.00  | 727.15                                     | 9.25% per annum   | -  | <b>Securities Details:</b><br><b>1) Immovable Fixed Assets.</b><br>a) Door No. 4/481a, Rsy No. 131/5-6, Parappur Village, Parappur Village, Thirurangadi taluk, Malappurma, Malappuram, Kerala, India, 676503<br>b) Rsy No. 27/4-4, Parappur Village, Tirurangadi Taluk, Tirurangadi Taluk, Malappuram, Malappuram, Kerala, India, 676503<br>c) Osy No:47/2,47/4A, Rsyno: 268/1-2-1, Thiruvengapura Panjayath, Thiruvengapura Village, Pattambi Taluk, Palakkad, Kerala, India, 679308.<br>d) Door No. 50/354-A, Rsy No. 42/23-2, 23-6, B, Block-51, Manjeri Village, Ernad Taluk, Malappuram, Kerala, India, 676304.<br>e) Rsy No. 63/5-5, Block-51, Budget Supermarket, 90 m, Manjeri, Eranad, Malappuram, Malappuram, Kerala, India, 676121.<br>f) Sy No 143/5267 Door No 12/347, Kolikkal Kattippara, Kattippara Village, Thamarassery Taluk, Kozhikode, Kozhikode, Kerala, India, 673573.<br>g) Rsy No. 219/1-6, 219/1-7, 219/1-8, Block-4, Othukkungal, Othukkungal, Malappuram, Malappuram, Kerala, 676528, 676528<br>h) Door No. 15/226/B, Rsy No. 63/5-4, 63/13-2, Block-51, Manjeri village, Ernad Taluk, Ernad Taluk, Malappuram, Malappuram, Kerala, India, 676121.<br>i) Rsy No. 74/6-4, Block-51, Ernad Taluk, Manjeri Village, Malappuram, Malappuram, Kerala, India, 676121.<br>j) Sy 63/7-2, Manjeri Municipality, Eranad Taluk, Eranad Taluk, Malappuram, Malappuram, Kerala, India, 673604.<br><b>2) Personal Guarantee of Directors.</b><br><b>3) Current Assets:</b> 6-A. Each drawdown shall be availed for a maximum period of 90 days(180 days pre shipment and 180 days post shipment) for export of gold jewellery & For a maximum period of 270 days for sale of gold jewellery in domestic markets (subject to RBI guidelines and regulations).  |
| 10     | ICICI Bank                               | Secured   | Gold Metal Loan  | As communicated by ICICI Bank at time of drawdown. Sub Limit of above ICICI Bank Cash Credit | 535.14                                     | As per Treasury Rates   | Each drawdown shall be availed for a maximum period of 90 days(180 days pre shipment and 180 days post shipment) for export of gold jewellery. For a maximum period of 270 days for sale of gold jewellery in domestic markets (subject to RBI guidelines and regulations).  | <b>2) Personal Guarantee of Directors.</b><br><b>3) Current Assets:</b> 6-A. Each drawdown shall be availed for a maximum period of 90 days(180 days pre shipment and 180 days post shipment) for export of gold jewellery & For a maximum period of 270 days for sale of gold jewellery in domestic markets (subject to RBI guidelines and regulations).  |

\* The sanction limits of aforesaid loans from ICICI Bank have been amended pursuant to the Amending Credit Arrangement Letter dated 3rd July, 2024 of the ICICI Bank. Further, the Security/Principal terms and conditions have also been amended pursuant to the Amending Credit Arrangement Letter dated 3rd July, 2024.

**ANNEXURE- X**

**DETAILS OF TRADE PAYABLES AS RESTATED**

| Particulars  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
|  | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| total outstanding dues of micro and small enterprises                      | 9.76                       | 12.07                   | 1.23                    | 110.61                  |
| total outstanding dues of creditors other than micro and small enterprises | 13.14                      | 38.41                   | 138.96                  | 177.58                  |
| <b>Total</b>   | <b>22.90</b>               | <b>50.48</b>            | <b>140.19</b>           | <b>288.19</b>           |

**Notes: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development**

| Particulars  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
|  | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year   | 9.76                       | 12.07                   | 1.23                    | 110.61                  |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year  | -                          | -                       | -                       | -                       |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day                              | -                          | -                       | -                       | -                       |
| (iv) The amount of interest due and payable for the year   | -                          | -                       | -                       | -                       |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year  | -                          | -                       | -                       | -                       |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | -                          | -                       | -                       | -                       |

**a. Unbilled**

| Particulars                  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                              | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Unbilled - Other (Provision) | 4.50                       | 2.75                    | 1.10                    | 0.85                    |
| <b>Total</b>                 | <b>4.50</b>                | <b>2.75</b>             | <b>1.10</b>             | <b>0.85</b>             |

**Trade payable Ageing as Outstanding for following period from due date of payment**

**31st December, 2024**

**(Rs. in lakhs)**

| Particulars                                  | Unbilled    | Less than<br>1 Year | 1 - 2 Year | 2 - 3 Year | More than<br>3 Year | Total        |
|--|-------------|---------------------|------------|------------|---------------------|--------------|
| - Micro, small and medium enterprises (MSME) | 4.50        | 5.26                | -          | -          | -                   | 9.76         |
| - Other                                      | -           | 13.14               | -          | -          | -                   | 13.14        |
| - Disputed Dues - MSME                       | -           | -                   | -          | -          | -                   | -            |
| - Disputed Dues - Other                      | -           | -                   | -          | -          | -                   | -            |
| <b>Total</b>                                 | <b>4.50</b> | <b>18.40</b>        | <b>-</b>   | <b>-</b>   | <b>-</b>            | <b>22.90</b> |

**Trade payable Ageing as Outstanding for following period from due date of payment**

**31st March, 2024**

**(Rs. in lakhs)**

| Particulars                                  | Unbilled    | Less than<br>1 Year | 1 - 2 Year | 2 - 3 Year | More than<br>3 Year | Total        |
|--|-------------|---------------------|------------|------------|---------------------|--------------|
| - Micro, small and medium enterprises (MSME) | 2.75        | 9.32                | -          | -          | -                   | 12.07        |
| - Other                                      | -           | 38.41               | -          | -          | -                   | 38.41        |
| - Disputed Dues - MSME                       | -           | -                   | -          | -          | -                   | -            |
| - Disputed Dues - Other                      | -           | -                   | -          | -          | -                   | -            |
| <b>Total</b>                                 | <b>2.75</b> | <b>47.73</b>        | <b>-</b>   | <b>-</b>   | <b>-</b>            | <b>50.48</b> |

**Trade payable Ageing as Outstanding for following period from due date of payment**

**31st March, 2023**

**(Rs. in lakhs)**

| Particulars                                  | Unbilled    | Less than<br>1 Year | 1 - 2 Year | 2 - 3 Year | More than<br>3 Year | Total         |
|--|-------------|---------------------|------------|------------|---------------------|---------------|
| - Micro, small and medium enterprises (MSME) | 1.10        | 0.13                | -          | -          | -                   | 1.23          |
| - Other                                      | -           | 138.96              | -          | -          | -                   | 138.96        |
| - Disputed Dues - MSME                       | -           | -                   | -          | -          | -                   | -             |
| - Disputed Dues - Other                      | -           | -                   | -          | -          | -                   | -             |
| <b>Total</b>                                 | <b>1.10</b> | <b>139.09</b>       | <b>-</b>   | <b>-</b>   | <b>-</b>            | <b>140.19</b> |

**Trade payable Ageing as Outstanding for following period from due date of payment**

**31st March, 2022**

**(Rs. in lakhs)**

| Particulars                                  | Unbilled    | Less than<br>1 Year | 1 - 2 Year | 2 - 3 Year    | More than<br>3 Year | Total         |
|--|-------------|---------------------|------------|---------------|---------------------|---------------|
| - Micro, small and medium enterprises (MSME) | 0.85        | 6.65                | -          | 103.11        | -                   | 110.61        |
| - Other                                      | -           | 177.58              | -          | -             | -                   | 177.58        |
| - Disputed Dues - MSME                       | -           | -                   | -          | -             | -                   | -             |
| - Disputed Dues - Other                      | -           | -                   | -          | -             | -                   | -             |
| <b>Total</b>                                 | <b>0.85</b> | <b>184.23</b>       | <b>-</b>   | <b>103.11</b> | <b>-</b>            | <b>288.19</b> |

**Notes:**

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XI**

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

| Particulars                          | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                                      | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <b>Statutory Dues:</b>               |                            |                         |                         |                         |
| GST Payable                          | -                          | -                       | 1.09                    | 33.86                   |
| TDS Payable                          | 11.59                      | 2.34                    | 4.30                    | 5.66                    |
| TCS Payable                          | -                          | 2.24                    | 0.06                    | -                       |
| ESIC Payable                         | 0.11                       | 0.26                    | 0.34                    | 0.38                    |
| Provident Fund Payable               | 0.02                       | 0.16                    | 0.34                    | 0.29                    |
| Director Salary Payable              | 0.97                       | -                       | 3.80                    | 29.72                   |
| Other Expenses Payables              | 9.79                       | 6.93                    | 4.17                    | -                       |
| Salary Payable                       | 11.82                      | 18.30                   | 13.74                   | 12.61                   |
| Advances and Deposits from Customers | 82.13                      | 55.26                   | 41.13                   | 58.15                   |
| <b>Total</b>                         | <b>116.43</b>              | <b>85.50</b>            | <b>68.97</b>            | <b>140.67</b>           |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XII**

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

| Particulars                              | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
|  | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Provision for Taxation                   | 34.64                      | 48.17                   | 29.49                   | 37.93                   |
| <b>Provision for Employment Benefits</b> |                            |                         |                         |                         |
| Gratuity                                 | 1.98                       | 3.01                    | 2.25                    | 0.97                    |
| <b>Total</b>                             | <b>36.62</b>               | <b>51.18</b>            | <b>31.74</b>            | <b>38.90</b>            |

**Notes:**

1. Provision for Income Tax have been adjusted against the Advance Tax, TDS & TCS Receivables, if any.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XIII

**RECONCILIATION OF RESTATED PROPERTY, PLANT AND EQUIPEMENT & INTANGIBLE ASSETS**

For the period as at December 31, 2024

Property, Plant and Equipment

(Rs. in lakhs)

| Particulars            | Gross block                 |              |              |                                 | Accumulated depreciation/amortisation |   |                                  |                                 | Net block                       | Net block                    |
|------------------------|-----------------------------|--------------|--------------|---------------------------------|---------------------------------------|---|----------------------------------|---------------------------------|---------------------------------|------------------------------|
|                        | Balance as at April 1, 2024 | Additions    | Disposals    | Balance as at December 31, 2024 | Balance as at April 1, 2024           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at December 31, 2024 | Balance as at December 31, 2024 | Balance as at March 31, 2024 |
| Leasehold Land         | 37.50                       | -            | -            | 37.50                           | 2.93                                  | 0.34  | -                                | 3.28                            | 34.22                           | 34.57                        |
| Buildings              | 123.86                      | -            | -            | 123.86                          | 3.76                                  | 2.99  | -                                | 6.75                            | 117.11                          | 120.10                       |
| Plant and Equipment    | 128.18                      | 0.08         | 14.72        | 113.54                          | 17.46                                 | 5.99  | 3.83                             | 19.62                           | 93.93                           | 110.73                       |
| Furniture and Fixtures | 27.04                       | 0.30         | -            | 27.34                           | 5.20                                  | 2.03  | -                                | 7.23                            | 20.11                           | 21.84                        |
| Office Equipment       | 16.73                       | 0.44         | -            | 17.17                           | 2.21                                  | 1.08  | -                                | 3.29                            | 13.88                           | 14.52                        |
| Computers              | 20.57                       | 1.73         | -            | 22.30                           | 13.01                                 | 3.83  | -                                | 16.84                           | 5.46                            | 7.56                         |
| Vehicles               | 94.10                       | 11.26        | -            | 105.36                          | 21.10                                 | 8.85  | -                                | 29.95                           | 75.41                           | 73.00                        |
| <b>Total</b>           | <b>447.98</b>               | <b>13.81</b> | <b>14.72</b> | <b>447.07</b>                   | <b>65.67</b>                          | <b>25.11</b>                                    | <b>3.83</b>                      | <b>86.96</b>                    | <b>360.11</b>                   | <b>382.32</b>                |

Intangibles

(Rs. in lakhs)

| Particulars           | Gross block                 |              |              |                                 | Accumulated depreciation/amortisation |   |                                  |                                 | Net block                       | Net block                    |
|-----------------------|-----------------------------|--------------|--------------|---------------------------------|---------------------------------------|---|----------------------------------|---------------------------------|---------------------------------|------------------------------|
|                       | Balance as at April 1, 2024 | Additions    | Disposals    | Balance as at December 31, 2024 | Balance as at April 1, 2024           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at December 31, 2024 | Balance as at December 31, 2024 | Balance as at March 31, 2023 |
| (a) Computer Software | 12.77                       | -            | -            | 12.77                           | 1.94                                  | 0.98  | -                                | 2.92                            | 9.85                            | 10.83                        |
| <b>Total</b>          | <b>12.77</b>                | <b>-</b>     | <b>-</b>     | <b>12.77</b>                    | <b>1.94</b>                           | <b>0.98</b>                                     | <b>-</b>                         | <b>2.92</b>                     | <b>9.85</b>                     | <b>10.83</b>                 |
| <b>Grand Total</b>    | <b>460.75</b>               | <b>13.81</b> | <b>14.72</b> | <b>459.84</b>                   | <b>67.61</b>                          | <b>26.09</b>                                    | <b>3.83</b>                      | <b>89.88</b>                    | <b>369.96</b>                   | <b>393.15</b>                |

Previous year 2023-24

Property, Plant and Equipment

| Particulars            | Gross block                 |               |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|------------------------|-----------------------------|---------------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|                        | Balance as at April 1, 2023 | Additions     | Disposals | Balance as at March 31, 2024 | Balance as at April 1, 2023           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2024 | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
| Leasehold Land         | 37.50                       | -             | -         | 37.50                        | 2.48                                  | 0.46  | -                                | 2.93                         | 34.57                        | 35.02                        |
| Buildings              | 26.25                       | 97.61         | -         | 123.86                       | 1.67                                  | 2.09  | -                                | 3.76                         | 120.10                       | 24.58                        |
| Plant and Equipment    | 117.91                      | 10.27         | -         | 128.18                       | 9.19                                  | 8.27  | -                                | 17.46                        | 110.73                       | 108.72                       |
| Furniture and Fixtures | 13.97                       | 13.07         | -         | 27.04                        | 3.13                                  | 2.07  | -                                | 5.20                         | 21.84                        | 10.84                        |
| Office Equipment       | 11.03                       | 5.70          | -         | 16.73                        | 1.02                                  | 1.19  | -                                | 2.21                         | 14.52                        | 10.01                        |
| Computers              | 15.77                       | 4.80          | -         | 20.57                        | 7.41                                  | 5.60  | -                                | 13.01                        | 7.56                         | 8.36                         |
| Vehicles               | 90.09                       | 4.01          | -         | 94.10                        | 10.09                                 | 11.01   | -                                | 21.10                        | 73.00                        | 80.00                        |
| <b>Total</b>           | <b>312.52</b>               | <b>135.46</b> | <b>-</b>  | <b>447.98</b>                | <b>34.99</b>                          | <b>30.69</b>                                    | <b>-</b>                         | <b>65.67</b>                 | <b>382.30</b>                | <b>277.53</b>                |



## Intangibles

(Rs. in lakhs)

| Particulars           | Gross block                 |               |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|-----------------------|-----------------------------|---------------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|                       | Balance as at April 1, 2023 | Additions     | Disposals | Balance as at March 31, 2024 | Balance as at April 1, 2023           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2024 | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
| (a) Computer Software | 12.22                       | 0.55          | -         | 12.77                        | 0.68                                  | 1.26  | -                                | 1.94                         | 10.83                        | 11.54                        |
| <b>Total</b>          | <b>12.22</b>                | <b>0.55</b>   | <b>-</b>  | <b>12.77</b>                 | <b>0.68</b>                           | <b>1.26</b>                                     | <b>-</b>                         | <b>1.94</b>                  | <b>10.83</b>                 | <b>11.54</b>                 |
| <b>Grand Total</b>    | <b>324.74</b>               | <b>136.01</b> | <b>-</b>  | <b>460.75</b>                | <b>35.67</b>                          | <b>31.94</b>                                    | <b>-</b>                         | <b>67.61</b>                 | <b>393.13</b>                | <b>289.07</b>                |

## Capital Work in Progress

(Rs. in lakhs)

| Particulars  | Gross block                 |           |              |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|--------------|-----------------------------|-----------|--------------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|              | Balance as at April 1, 2023 | Additions | Disposals    | Balance as at March 31, 2024 | Balance as at April 1, 2023           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2024 | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
| Building     | 59.66                       | -         | 59.66        | -                            | -                                     | -   | -                                | -                            | -                            | -                            |
| <b>Total</b> | <b>59.66</b>                | <b>-</b>  | <b>59.66</b> | <b>-</b>                     | <b>-</b>                              | <b>-</b>  | <b>-</b>                         | <b>-</b>                     | <b>-</b>                     | <b>-</b>                     |

## Previous year 2022-23

## Property, Plant and Equipment

(Rs. in lakhs)

| Particulars            | Gross block                 |               |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|------------------------|-----------------------------|---------------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|                        | Balance as at April 1, 2022 | Additions     | Disposals | Balance as at March 31, 2023 | Balance as at April 1, 2022           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2023 | Balance as at March 31, 2023 | Balance as at March 31, 2022 |
| Leasehold Land         | 37.50                       | -             | -         | 37.50                        | 2.02                                  | 0.46  | -                                | 2.48                         | 35.02                        | 35.48                        |
| Buildings              | 26.25                       | -             | -         | 26.25                        | 0.84                                  | 0.83  | -                                | 1.67                         | 24.58                        | 25.41                        |
| Plant and Equipment    | 45.43                       | 72.48         | -         | 117.91                       | 4.20                                  | 4.99  | -                                | 9.19                         | 108.72                       | 41.23                        |
| Furniture and Fixtures | 8.78                        | 5.19          | -         | 13.97                        | 1.91                                  | 1.22  | -                                | 3.13                         | 10.84                        | 6.87                         |
| Office Equipment       | 3.34                        | 7.69          | -         | 11.03                        | 0.31                                  | 0.71  | -                                | 1.02                         | 10.01                        | 3.03                         |
| Computers              | 7.86                        | 7.91          | -         | 15.77                        | 2.23                                  | 5.18  | -                                | 7.41                         | 8.36                         | 5.63                         |
| Vehicles               | -                           | 90.09         | -         | 90.09                        | -                                     | 10.09   | -                                | 10.09                        | 80.00                        | -                            |
| <b>Total</b>           | <b>129.16</b>               | <b>183.36</b> | <b>-</b>  | <b>312.52</b>                | <b>11.51</b>                          | <b>23.48</b>                                    | <b>-</b>                         | <b>34.99</b>                 | <b>277.53</b>                | <b>117.65</b>                |

## Intangibles

(Rs. in lakhs)

| Particulars           | Gross block                 |               |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|-----------------------|-----------------------------|---------------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|                       | Balance as at April 1, 2022 | Additions     | Disposals | Balance as at March 31, 2023 | Balance as at April 1, 2022           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2023 | Balance as at March 31, 2023 | Balance as at March 31, 2022 |
| (a) Computer Software | 2.72                        | 9.50          | -         | 12.22                        | 0.06                                  | 0.62  | -                                | 0.68                         | 11.54                        | 2.66                         |
| <b>Total</b>          | <b>2.72</b>                 | <b>9.50</b>   | <b>-</b>  | <b>12.22</b>                 | <b>0.06</b>                           | <b>0.62</b>                                     | <b>-</b>                         | <b>0.68</b>                  | <b>11.54</b>                 | <b>2.66</b>                  |
| <b>Grand Total</b>    | <b>131.88</b>               | <b>192.86</b> | <b>-</b>  | <b>324.74</b>                | <b>11.57</b>                          | <b>24.10</b>                                    | <b>-</b>                         | <b>35.67</b>                 | <b>289.07</b>                | <b>120.31</b>                |

**Capital Work in Progress**
**(Rs. in lakhs)**

| Particulars  | Gross block                 |           |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|--------------|-----------------------------|-----------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|              | Balance as at April 1, 2022 | Additions | Disposals | Balance as at March 31, 2023 | Balance as at April 1, 2022           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2023 | Balance as at March 31, 2023 | Balance as at March 31, 2022 |
| Building*    | -                           | 59.66     | -         | 59.66                        | -                                     | -   | -                                | -                            | 59.66                        | -                            |
| <b>Total</b> | -                           | 59.66     | -         | 59.66                        | -                                     | -   | -                                | -                            | 59.66                        | -                            |

**Capital Work in Progress ageing schedule**

| CWIP                 | Amount in CWIP for the period of |           |           |                   | Total |
|----------------------|----------------------------------|-----------|-----------|-------------------|-------|
|                      | Less than 1 year                 | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress | 59.66                            | -         | -         | -                 | 59.66 |

**Previous year 2021-22**
**Property, Plant and Equipment**
**(Rs. in lakhs)**

| Particulars            | Gross block                 |           |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|------------------------|-----------------------------|-----------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|                        | Balance as at April 1, 2021 | Additions | Disposals | Balance as at March 31, 2022 | Balance as at April 1, 2021           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2022 | Balance as at March 31, 2022 | Balance as at March 31, 2021 |
| Leasehold Land         | 37.50                       | -         | -         | 37.50                        | 1.56                                  | 0.46  | -                                | 2.02                         | 35.48                        | 35.94                        |
| Buildings              | 0.62                        | 26.25     | 0.62      | 26.25                        | 0.01                                  | 0.83  | -                                | 0.84                         | 25.41                        | 0.61                         |
| Plant and Equipment    | 42.87                       | 2.56      | -         | 45.43                        | 1.43                                  | 2.77  | -                                | 4.20                         | 41.23                        | 41.44                        |
| Furniture and Fixtures | 7.60                        | 1.18      | -         | 8.78                         | 1.21                                  | 0.70  | -                                | 1.91                         | 6.87                         | 6.39                         |
| Office Equipment       | 1.80                        | 1.54      | -         | 3.34                         | 0.22                                  | 0.09  | -                                | 0.31                         | 3.03                         | 1.58                         |
| Computers              | 3.56                        | 4.30      | -         | 7.86                         | 0.08                                  | 2.15  | -                                | 2.23                         | 5.63                         | 3.48                         |
| Vehicles               | -                           | -         | -         | -                            | -                                     | -   | -                                | -                            | -                            | -                            |
| <b>Total</b>           | 93.95                       | 35.83     | 0.62      | 129.16                       | 4.51                                  | 7.00  | -                                | 11.51                        | 117.64                       | 89.44                        |

**Intangibles**
**(Rs. in lakhs)**

| Particulars           | Gross block                 |           |           |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|-----------------------|-----------------------------|-----------|-----------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|                       | Balance as at April 1, 2021 | Additions | Disposals | Balance as at March 31, 2022 | Balance as at April 1, 2021           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2022 | Balance as at March 31, 2022 | Balance as at March 31, 2021 |
| (a) Computer Software | -                           | 2.72      | -         | 2.72                         | -                                     | 0.06  | -                                | 0.06                         | 2.66                         | -                            |
| <b>Total</b>          | -                           | 2.72      | -         | 2.72                         | -                                     | 0.06  | -                                | 0.06                         | 2.66                         | -                            |
| <b>Grand Total</b>    | 93.95                       | 38.55     | 0.62      | 131.88                       | 4.51                                  | 7.06  | -                                | 11.57                        | 120.30                       | 89.44                        |

**Capital Work in Progress****(Rs. in lakhs)**

| Particulars  | Gross block                 |           |              |                              | Accumulated depreciation/amortisation |   |                                  |                              | Net block                    | Net block                    |
|--------------|-----------------------------|-----------|--------------|------------------------------|---------------------------------------|---|----------------------------------|------------------------------|------------------------------|------------------------------|
|              | Balance as at April 1, 2021 | Additions | Disposals    | Balance as at March 31, 2022 | Balance as at April 1, 2021           | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Balance as at March 31, 2022 | Balance as at March 31, 2022 | Balance as at March 31, 2021 |
| Building     | 25.64                       | -         | 25.64        | -                            | -                                     | -   | -                                | -                            | -                            | -                            |
| <b>Total</b> | <b>25.64</b>                | <b>-</b>  | <b>25.64</b> | <b>-</b>                     | <b>-</b>                              | <b>-</b>  | <b>-</b>                         | <b>-</b>                     | <b>-</b>                     | <b>-</b>                     |

\*The construction of the new building began in May, 2022 and continued till June 2023. Throughout this period, all costs incurred for the construction of building have been accounted for as Capital Work in Progress. Post completion of the construction in June, 2023, these costs were reclassified and capitalized as Fixed Assets under Building.

**ANNEXURE- XIV**

**DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED**

| Particulars   | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
|   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| <u>Tax effect of items constituting Deferred tax liabilities</u>                    |                            |                         |                         |                         |
| On difference between book balance and tax balance of property, plant and equipment | (11.26)                    | (10.21)                 | (7.09)                  | (2.82)                  |
|   | <b>(11.26)</b>             | <b>(10.21)</b>          | <b>(7.09)</b>           | <b>(2.82)</b>           |
| <u>Tax effects of items Constituting Deferred Tax Asset</u>                         |                            |                         |                         |                         |
| On difference between book balance and tax balance of property, plant and equipment | -                          | -                       | -                       | -                       |
| Unabsorbed tax losses & Depreciation  | -                          | -                       | -                       | -                       |
| Provision for doubtful trade receivables  | -                          | -                       | -                       | -                       |
| Disallowances u/s 40(a)(ia), 43B, 40(A)(7) of the Income Tax Act, 1961              | 1.26                       | 1.63                    | 1.93                    | 1.56                    |
|   | <b>1.26</b>                | <b>1.63</b>             | <b>1.93</b>             | <b>1.56</b>             |
| <b>Net deferred tax asset / (liability)</b>   | <b>(10.00)</b>             | <b>(8.58)</b>           | <b>(5.15)</b>           | <b>(1.26)</b>           |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XV**

**DETAILS OF LONG TERM LOANS AND ADVANCES AS RESTATED**

| Particulars      | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                  | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Capital Advances | -                          | -                       | -                       | -                       |
| <b>Total</b>     | <b>-</b>                   | <b>-</b>                | <b>-</b>                | <b>-</b>                |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XVI**

**OTHER NON-CURRENT ASSETS AS RESTATED**

| Particulars       | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Security Deposits | 0.41                       | 1.64                    | 3.92                    | 2.97                    |
| <b>Total</b>      | <b>0.41</b>                | <b>1.64</b>             | <b>3.92</b>             | <b>2.97</b>             |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XVII**

**DETAILS OF INVENTORIES AS RESTATED**

| Particulars                          | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                                      | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Raw Materials                        | 114.61                     | 171.19                  | 162.39                  | -                       |
| Work in Progress/Semi Finished Goods | 1,387.58                   | 1,374.69                | 1,336.48                | -                       |
| Finished Goods                       | 86.72                      | 139.65                  | 153.92                  | 17.50                   |
| <b>Total</b>                         | <b>1,588.91</b>            | <b>1,685.53</b>         | <b>1,652.79</b>         | <b>17.50</b>            |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XVIII**

**DETAILS OF TRADE RECEIVABLES AS RESTATED**

| Particulars   | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
|   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| (Unsecured, considered good unless otherwise stated)  |                            |                         |                         |                         |
| (a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment |                            |                         |                         |                         |
| Considered good   | 110.55                     | 175.35                  | 10.69                   | 20.47                   |
| Considered doubtful   | -                          | -                       | -                       | -                       |
|   | 110.55                     | 175.35                  | 10.69                   | 20.47                   |
| Less: Provision for doubtful trade receivables  | -                          | -                       | -                       | -                       |
|   | 110.55                     | 175.35                  | 10.69                   | 20.47                   |
| (b) Other Trade receivables   | 989.40                     | 1,132.53                | 1,447.71                | 1,427.03                |
| <b>Total</b>  | <b>1,099.95</b>            | <b>1,307.88</b>         | <b>1,458.40</b>         | <b>1,447.50</b>         |

**Notes: Trade Receivable Ageing Schedule**

| Particulars                       | (Rs. in lakhs)        |                       |               |              |                        |                 |
|-----------------------------------|-----------------------|-----------------------|---------------|--------------|------------------------|-----------------|
|                                   | Less than<br>6 Months | 6 Months to 1<br>year | 1 - 2 Year    | 2 - 3 Year   | More<br>than 3<br>Year | Total           |
| <b>31st December, 2024</b>        |                       |                       |               |              |                        |                 |
| (a) Undisputed Trade receivables- |                       |                       |               |              |                        |                 |
| Considered good                   | 989.40                | 1.73                  | 19.99         | 81.79        | -                      | 1,092.91        |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| (b) Disputed Trade receivables-   |                       |                       |               |              |                        |                 |
| Considered good                   | -                     | -                     | -             | 7.04         | -                      | 7.04            |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| <b>Total</b>                      | <b>989.40</b>         | <b>1.73</b>           | <b>19.99</b>  | <b>88.83</b> |                        | <b>1,099.95</b> |
| <b>31st March, 2024</b>           |                       |                       |               |              |                        |                 |
| (a) Undisputed Trade receivables- |                       |                       |               |              |                        |                 |
| Considered good                   | 1,132.53              | 9.93                  | 165.42        | -            | -                      | 1,307.88        |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| (b) Disputed Trade receivables-   |                       |                       |               |              |                        |                 |
| Considered good                   | -                     | -                     | -             | -            | -                      | -               |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| <b>Total</b>                      | <b>1,132.53</b>       | <b>9.93</b>           | <b>165.42</b> | <b>-</b>     |                        | <b>1,307.88</b> |
| <b>31st March, 2023</b>           |                       |                       |               |              |                        |                 |
| (a) Undisputed Trade receivables- |                       |                       |               |              |                        |                 |
| Considered good                   | 1,447.71              | -                     | 10.69         | -            | -                      | 1,458.40        |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| (b) Disputed Trade receivables-   |                       |                       |               |              |                        |                 |
| Considered good                   | -                     | -                     | -             | -            | -                      | -               |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| <b>Total</b>                      | <b>1,447.71</b>       | <b>-</b>              | <b>10.69</b>  | <b>-</b>     |                        | <b>1,458.40</b> |
| <b>31st March, 2022</b>           |                       |                       |               |              |                        |                 |
| (a) Undisputed Trade receivables- |                       |                       |               |              |                        |                 |
| Considered good                   | 1,427.03              | 16.07                 | 4.40          | -            | -                      | 1,447.50        |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| (b) Disputed Trade receivables-   |                       |                       |               |              |                        |                 |
| Considered good                   | -                     | -                     | -             | -            | -                      | -               |
| Considered doubtful               | -                     | -                     | -             | -            | -                      | -               |
| <b>Total</b>                      | <b>1,427.03</b>       | <b>16.07</b>          | <b>4.40</b>   | <b>-</b>     |                        | <b>1,447.50</b> |

**Notes:**

1. As per the view of the management of the company there is no doubtful debt & hence provision for doubtful debt has not been made.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XIX****DETAILS OF CASH AND BANK BALANCES AS RESTATED**

| Particulars                            | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
|  | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| A. Cash and cash equivalents           |                            |                         |                         |                         |
| (a) Cash on hand                       | 11.67                      | 17.12                   | 4.94                    | 10.86                   |
| (b) Balances with banks                |                            |                         |                         |                         |
| (i) In current accounts                | 69.67                      | 4.70                    | 12.36                   | -                       |
| Total - Cash and cash equivalents (A)  | 81.34                      | 21.82                   | 17.30                   | 10.86                   |
| B. Other bank balances                 |                            |                         |                         |                         |
| (i) In other deposit accounts          | -                          | -                       | -                       | -                       |
| - original maturity more than 3 months | 156.84                     | 156.21                  | 48.40                   | -                       |
| Total - Other bank balances (B)        | 156.84                     | 156.21                  | 48.40                   | -                       |
| <b>Total</b>                           | <b>238.18</b>              | <b>178.03</b>           | <b>65.70</b>            | <b>10.86</b>            |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XX****DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED**

| Particulars                                   | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
|   | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Salary & Wages Advance                        | 10.29                      | 10.92                   | 0.72                    | 4.52                    |
| Balance with statutory/government authorities |                            |                         |                         |                         |
| -GST Receivable                               | 68.02                      | 62.51                   | 63.52                   | 33.91                   |
| Prepaid Expenses                              | 31.52                      | 16.07                   | -                       | -                       |
| Other advances                                | 4.53                       | 3.85                    | 0.23                    | 0.23                    |
| <b>Total</b>                                  | <b>114.36</b>              | <b>93.35</b>            | <b>64.47</b>            | <b>38.66</b>            |

**Notes:**

1. No Securities have been taken by the company against the advances given to the suppliers.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXI****DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

| Particulars          | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------|----------------------------|-------------------------|-------------------------|-------------------------|
|                      | (Rs. in lakhs)             | (Rs. in lakhs)          | (Rs. in lakhs)          | (Rs. in lakhs)          |
| Advance to Creditors | 16.58                      | 13.17                   | 5.91                    | 4.54                    |
| <b>Total</b>         | <b>16.58</b>               | <b>13.17</b>            | <b>5.91</b>             | <b>4.54</b>             |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## ANNEXURE- XXII

### DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

| Particulars                   | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------------------------|-----------------------------------|------------------------------|------------------------------|------------------------------|
|                               | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Revenue from Sale of Products | 17,488.25                         | 24,557.72                    | 19,308.58                    | 12,739.10                    |
| Revenue from Sale of Services | 16.51                             | 31.27                        | 109.56                       | -                            |
| <b>Total</b>                  | <b>17,504.76</b>                  | <b>24,588.99</b>             | <b>19,418.14</b>             | <b>12,739.10</b>             |

#### Revenue from Sale of Products & Services

| Particulars    | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|----------------|-----------------------------------|------------------------------|------------------------------|------------------------------|
|                | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Domestic Sales | 14,133.02                         | 15,912.27                    | 19,418.14                    | 12,739.10                    |
| Foreign Sales  | 3,371.74                          | 8,676.72                     | -                            | -                            |
| <b>Total</b>   | <b>17,504.76</b>                  | <b>24,588.99</b>             | <b>19,418.14</b>             | <b>12,739.10</b>             |

#### **Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## ANNEXURE- XXIII

### DETAILS OF OTHER INCOME AS RESTATED

| Particulars  | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--|-----------------------------------|------------------------------|------------------------------|------------------------------|
|  | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Subsidy Income   | -                                 | -                            | -                            | 0.27                         |
| Scrap sale   | -                                 | -                            | 5.94                         | -                            |
| Interest on FDR  | 0.69                              | 9.41                         | 0.44                         | -                            |
| Net Gain on Foreign Currency transaction and translation | 42.40                             | 78.57                        | -                            | -                            |
| Discount received  | -                                 | 0.02                         | 0.26                         | -                            |
| Courier Charges Received                                 | 4.68                              | 3.09                         | -                            | -                            |
| Miscellaneous Income                                     | 0.20                              | 4.06                         | -                            | 0.31                         |
| <b>Total</b>   | <b>47.97</b>                      | <b>95.15</b>                 | <b>6.64</b>                  | <b>0.58</b>                  |

#### **Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

#### ANNEXURE- XXIV

##### DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

| Particulars                                | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--|-----------------------------------|------------------------------|------------------------------|------------------------------|
|  | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Raw Material at the beginning of the year  | 171.19                            | 162.39                       | -                            | 688.22                       |
| Add : Purchases                            | 16,624.73                         | 23,489.56                    | 20,129.74                    | 11,586.34                    |
| Add : Direct Expenses                      | 34.77                             | 55.78                        | 77.24                        | 29.00                        |
|  | <b>16,830.69</b>                  | <b>23,707.73</b>             | <b>20,206.98</b>             | <b>12,303.56</b>             |
|  | 114.61                            | 171.19                       | 162.39                       | -                            |
| Less : Raw Material at the end of the year |                                   |                              |                              |                              |
| <b>Cost of material Consumed</b>           | <b>16,716.08</b>                  | <b>23,536.54</b>             | <b>20,044.59</b>             | <b>12,303.56</b>             |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

#### ANNEXURE- XXV

##### DETAILS OF CHANGE IN INVENTORIES OF WIP & FINISHED GOODS AS RESTATED

| Particulars                                     | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---|-----------------------------------|------------------------------|------------------------------|------------------------------|
|   | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| <b>Inventories at the end of the year</b>       |                                   |                              |                              |                              |
| - Work in Progress/Semi Finished Goods          | 1,387.58                          | 1,374.69                     | 1,336.48                     | -                            |
| - Finished Goods                                | 86.72                             | 139.65                       | 153.92                       | 17.50                        |
|   | 1,474.30                          | 1,514.34                     | 1,490.40                     | 17.50                        |
| <b>Inventories at the beginning of the year</b> |                                   |                              |                              |                              |
| - Work in Progress/Semi Finished Goods          | 1,374.69                          | 1,336.48                     | -                            | -                            |
| - Finished Goods                                | 139.65                            | 153.92                       | 17.50                        | -                            |
|   | 1,514.34                          | 1,490.40                     | 17.50                        | -                            |
| <b>Net (increase)/decrease</b>                  | <b>40.04</b>                      | <b>(23.94)</b>               | <b>(1,472.90)</b>            | <b>(17.50)</b>               |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.



**ANNEXURE-XXVI**

**DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

| Particulars                               | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---|-----------------------------------|------------------------------|------------------------------|------------------------------|
|   | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Salaries and wages                        | 204.91                            | 311.48                       | 279.58                       | 141.80                       |
| Contribution to provident and other funds | 2.01                              | 5.34                         | 6.20                         | 4.53                         |
| Managerial Remuneration                   | 66.56                             | 71.00                        | 66.00                        | 27.53                        |
| Gratuity Expenses                         | 5.02                              | 6.48                         | 6.95                         | 5.60                         |
| Staff welfare expenses                    | 27.13                             | 42.63                        | 26.29                        | 1.85                         |
| <b>Total</b>                              | <b>305.63</b>                     | <b>436.93</b>                | <b>385.02</b>                | <b>181.31</b>                |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXVII**

**DETAILS OF FINANCE COST AS RESTATED**

| Particulars                         | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------------------------------|-----------------------------------|------------------------------|------------------------------|------------------------------|
|                                     | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Bank Charges                        | 14.52                             | 10.46                        | 11.24                        | 1.45                         |
| Interest expense on:                |                                   |                              |                              |                              |
| - Borrowings                        | 121.53                            | 149.52                       | 78.74                        | 30.70                        |
| - Delayed payment of statutory dues | 0.23                              | 0.47                         | 0.97                         | 0.45                         |
| <b>Total</b>                        | <b>136.28</b>                     | <b>160.45</b>                | <b>90.94</b>                 | <b>32.60</b>                 |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXVIII**  
**DETAILS OF OTHER EXPENSES AS RESTATED**

| Particulars                                 | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---|-----------------------------------|------------------------------|------------------------------|------------------------------|
|   | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Audit Fees                                  | 4.50                              | 2.75                         | 1.10                         | 0.85                         |
| Business Promotion Expenses                 | 0.77                              | 0.38                         | 11.51                        | 0.46                         |
| Repair & Maintenance                        | 4.62                              | 6.61                         | 1.17                         | 3.30                         |
| Software Maintenance charges                | 4.53                              | 7.30                         | 4.02                         | 4.46                         |
| Commission Expense                          | 0.15                              | 6.97                         | 1.29                         | 0.70                         |
| Courier Charges                             | 14.92                             | 31.58                        | 10.70                        | -                            |
| Power & Fuel                                | 13.11                             | 16.73                        | 15.60                        | 14.63                        |
| Memberships and Subscriptions               | 0.94                              | 0.08                         | 0.98                         | -                            |
| Taxes & Duties                              | -                                 | 7.47                         | 0.67                         | 0.30                         |
| Legal and Professional Fees                 | 3.37                              | 3.47                         | 0.84                         | 0.35                         |
| Internet Charges                            | 0.46                              | 0.50                         | 0.54                         | 0.04                         |
| Rent Expense                                | 0.10                              | 0.37                         | 5.59                         | 2.69                         |
| Clearing & Forwarding Charges               | 1.58                              | 4.11                         | -                            | -                            |
| LEI Registration Fee                        | 0.01                              | 0.05                         | 0.04                         | 0.05                         |
| Printing & Stationery                       | 0.91                              | 1.16                         | 1.20                         | 0.48                         |
| Service Charges                             | 0.88                              | 0.13                         | 0.13                         | 0.24                         |
| ROC Fee                                     | 8.37                              | 0.80                         | 0.74                         | 0.16                         |
| Telephone Charges                           | 1.47                              | 2.28                         | 1.44                         | 0.75                         |
| Trademark Expenses                          | -                                 | 0.23                         | -                            | -                            |
| Transportation Expenses                     | -                                 | 1.20                         | 0.25                         | -                            |
| Travelling Expenses                         | 5.77                              | 0.96                         | 4.62                         | 8.66                         |
| <b>Insurance</b>                            |                                   |                              |                              |                              |
| Stock Insurance                             | 2.39                              | 2.11                         | 1.16                         | 0.72                         |
| Vehicle Insurance                           | 0.85                              | 0.98                         | -                            | -                            |
| Property Insurance                          | 1.85                              | -                            | 0.24                         | -                            |
| Insurance for Gratuity Scheme-LIC           | 0.39                              | -                            | -                            | -                            |
| Water Charges                               | 0.99                              | 1.56                         | 1.58                         | 1.46                         |
| Donation                                    | 0.25                              | -                            | 0.08                         | -                            |
| Stock Audit Charges                         | 0.22                              | -                            | -                            | -                            |
| Miscellaneous expenses                      | 0.29                              | 0.03                         | 1.85                         | 17.46                        |
| Security Charges                            | -                                 | -                            | -                            | -                            |
| License fee                                 | 0.46                              | -                            | -                            | -                            |
| Loss on sale of Property, plant & Equipment | 3.43                              | -                            | -                            | -                            |
| Pollution Control Charges                   | 1.36                              | -                            | -                            | -                            |
| <b>Total</b>                                | <b>78.94</b>                      | <b>99.81</b>                 | <b>67.34</b>                 | <b>57.76</b>                 |

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**Note(i) Payment to Auditors**

| Particulars   | Period ended<br>December 31, 2024 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---|-----------------------------------|------------------------------|------------------------------|------------------------------|
|   | (Rs. in lakhs)                    | (Rs. in lakhs)               | (Rs. in lakhs)               | (Rs. in lakhs)               |
| Payments to the auditors comprise<br>(net of GST input credit, where applicable): |                                   |                              |                              |                              |
| Statutory Audit   | 4.50                              | 1.65                         | 0.66                         | 0.51                         |
| Tax Audit   | -                                 | 0.82                         | 0.33                         | 0.26                         |
| Taxation Matter   | -                                 | 0.28                         | 0.11                         | 0.08                         |
| Company Law Matter  | -                                 | -                            | -                            | -                            |
| <b>Total</b>  | <b>4.50</b>                       | <b>2.75</b>                  | <b>1.10</b>                  | <b>0.85</b>                  |

**ANNEXURE- XXIX**

**RESTATED STANDALONE STATEMENT OF FINANCIAL RATIO**

| Sr. No. | Ratios                                   | As at December 31,<br>2024   | As at March 31,<br>2024 | As at March 31,<br>2023 | As at March 31,<br>2022 |
|---------|--|--|-------------------------|-------------------------|-------------------------|
| 1       | Current Assets                           | 3,057.98   | 3,277.94                | 3,247.27                | 1,519.06                |
|         | Current Liabilities                      | 1,857.09   | 2,314.43                | 2,722.86                | 1,128.37                |
|         | <b>Current Ratio</b>                     | <b>1.65</b>  | <b>1.42</b>             | <b>1.19</b>             | <b>1.35</b>             |
|         | Variation                                | 16.26%   | 18.76%                  | -11.41%                 |                         |
|         | <b>Reason</b>                            | No significant change in FY 2022-23 as compared to FY 2021-22, due to decrease in current liabilities in FY 2023-24 as compared to FY 2022-23, while no significant change in current period as compared to FY. 2023-24  |                         |                         |                         |
| 2       | Total Debt: Borrowings                   | 1,841.40   | 2,248.30                | 2,623.39                | 660.61                  |
|         | Equity                                   | 1,389.74   | 1,204.42                | 711.96                  | 508.07                  |
|         | <b>Debt-Equity Ratio</b>                 | <b>1.32</b>  | <b>1.87</b>             | <b>3.68</b>             | <b>1.30</b>             |
|         | Variance                                 | -29.02%  | -49.34%                 | 183.39%                 |                         |
|         | <b>Reason</b>                            | Due to increase in borrowing in FY. 2022-23 as compared to FY 2021-22, increase in Equity and decrease in Borrowing in FY 2023-24 as compared to FY 2022-23, and decrease in Borrowing in current period as compared to FY 2023-24.  |                         |                         |                         |
| 3       | Earnings Available for Debt Service      | 347.69   | 524.33                  | 318.93                  | 165.85                  |
|         | Debt Service                             | 1,977.68   | 2,408.75                | 2,714.33                | 693.21                  |
|         | <b>Debt Service Coverage Ratio</b>       | <b>0.18</b>  | <b>0.22</b>             | <b>0.12</b>             | <b>0.24</b>             |
|         | Variance                                 | -19.23%  | 85.26%                  | -50.89%                 |                         |
|         | <b>Reason</b>                            | Due to increase in Debt Service in FY 2022-23 as compared to FY 2021-22, due to increase in Earnings Available for Debt Service and slight reduction in Debt Service FY 2023-24 as compared to FY 2022-23, while no significant change in current period as compared to FY 2023-24.                                      |                         |                         |                         |
| 4       | Net Profit After taxes                   | 185.32   | 331.94                  | 203.89                  | 126.19                  |
|         | Average Shareholders Equity              | 1,297.08   | 958.19                  | 610.02                  | 508.84                  |
|         | <b>Return on Equity (ROE)*</b>           | <b>14.29%</b>  | <b>34.64%</b>           | <b>33.42%</b>           | <b>24.80%</b>           |
|         | Variance                                 | -58.76%  | 3.65%                   | 34.77%                  |                         |
|         | <b>Reason</b>                            | Due in increase in Net Profit After Taxes and Average Shareholders Equity in FY 2022-23 as compared to FY 2021-22, No significant change in FY 2023-24 as compared to FY 2022-23, due to increase in the Average Shareholders Equity in the current period as compared to FY 2023-24.                                    |                         |                         |                         |
| 5       | Cost of Goods Sold                       | 16,756.12  | 23,512.60               | 18,571.69               | 12,286.06               |
|         | Average Inventory                        | 1,637.22   | 1,669.16                | 835.15                  | 352.86                  |
|         | <b>Inventory Turnover Ratio*</b>         | <b>10.23</b>   | <b>14.09</b>            | <b>22.24</b>            | <b>34.82</b>            |
|         | Variation                                | -27.35%  | -36.65%                 | -36.13%                 | -                       |
|         | <b>Reason</b>                            | Due to increase in Cost of Goods Sold and Average Inventory in FY 2022-23 as compared to FY 2021-22, due increase in Cost of Goods Sold and Average Inventory in FY 2023-24 as compared to FY 2022-23, due to decrease in Cost of Goods Sold and Average Inventory for the current period as compared to the FY 2023-24. |                         |                         |                         |
| 6       | Net Sales                                | 17,504.76  | 24,588.99               | 19,418.14               | 12,739.10               |
|         | Average Accounts Receivable              | 1,203.92   | 1,383.14                | 1,452.95                | 749.67                  |
|         | <b>Trade Receivables Turnover Ratio*</b> | <b>14.54</b>   | <b>17.78</b>            | <b>13.36</b>            | <b>16.99</b>            |
|         | Variation                                | -18.21%  | 33.02%                  | -21.35%                 |                         |
|         | <b>Reason</b>                            | No significant change in FY 2022-23 as compared to FY 2021-22, due to increase in Net Sales in FY 2023-24 as compared to FY 2022-23, no significant change in current period as compared to FY 2023-24.  |                         |                         |                         |

|    |  |  |               |               |               |
|----|--|--|---------------|---------------|---------------|
| 7  | Net Purchases                            | 16,716.08  | 23,536.54     | 20,044.59     | 12,303.56     |
|    | Average Accounts Payables                | 36.69  | 95.34         | 214.19        | 264.26        |
|    | <b>Trade Payables Turnover Ratio*</b>    | <b>455.60</b>  | <b>246.88</b> | <b>93.58</b>  | <b>46.56</b>  |
|    | Variation                                | 84.54%   | 163.81%       | 101.00%       |               |
|    | <b>Reason</b>                            | Due to increase in Net Purchases in FY 2022-23 as compared to FY 2021-22, due to decrease in Average Accounts Payable in FY 2023-24 as compared to FY 2022-23, Due to decrease in Purchases and Average Accounts Payable for the current period as compared to FY 2023-24. |               |               |               |
| 8  | Revenue                                  | 17,504.76  | 24,588.99     | 19,418.14     | 12,739.10     |
|    | Working capital                          | 1,082.20   | 743.96        | 457.55        | 329.35        |
|    | <b>Net Capital Turnover Ratio</b>        | <b>16.18</b>   | <b>33.05</b>  | <b>42.44</b>  | <b>38.68</b>  |
|    | Variation                                | -51.06%  | -22.12%       | 9.72%         |               |
|    | <b>Reason</b>                            | No significant change in FY 2022-23 as compared to FY 2021-22, no significant change in FY 2023-24 as compared to FY 2022-23, due to decrease in Revenue and increase in working capital in current year as compared to the FY 2023-24.                                    |               |               |               |
| 9  | Profit After Tax                         | 185.32   | 331.94        | 203.89        | 126.19        |
|    | Revenue                                  | 17,504.76  | 24,588.99     | 19,418.14     | 12,739.10     |
|    | <b>Net Profit Ratio</b>                  | <b>1.06%</b>   | <b>1.35%</b>  | <b>1.05%</b>  | <b>0.99%</b>  |
|    | Variation                                | -21.58%  | 28.57%        | 6.00%         |               |
|    | <b>Reason</b>                            | No significant change in FY 2021-22 as compared to FY 2022-23, due to increase in Revenue in FY 2023-24 as compared to FY 2022-23, no significant change in current year as compared to FY 2023-24   |               |               |               |
| 10 | Profit before interest and tax           | 385.95   | 602.84        | 376.62        | 207.49        |
|    | Capital Employed                         | 3,231.29   | 3,450.47      | 3,328.96      | 1,167.28      |
|    | <b>Return on Capital employed (ROCE)</b> | <b>11.94%</b>  | <b>17.47%</b> | <b>11.31%</b> | <b>17.78%</b> |
|    | Variation                                | -31.64%  | 54.43%        | -36.35%       |               |
|    | <b>Reason</b>                            | Due to increase in Capital Employed in FY 2022-23 as compared to FY 2021-22, due to increase in Profit before interest and tax in FY 2023-24 as compared to FY 2022-23. Due to decrease in Profit before interest tax in current period as compared to the FY 2023-24.     |               |               |               |

**The definitions of ratio / formulas used for actual computation are as follows:**

- 1 Current Ratio = Current Assets/Current Liabilities
- 2 Debt Equity Ratio = Total Debt / Shareholders Equity
- 3 Debt Service Coverage Ratio = Earning available for Debt Service / Debt Service
- 4 Return on Equity (ROE) = Net Profit after taxes / Average Shareholders Equity
- 5 Inventory Turnover Ratio = Cost of goods sold / Average Inventory
- 6 Trade Receivables Turnover Ratio = Revenue from Operation / Average account receivable
- 7 Trade Payables Turnover Ratio = Cost of Material Consumed/ Average Trade Payables
- 8 Net Capital Turnover Ratio = Revenue from Operations / Working capital
- 9 Net Profit Ratio = Profit After Tax / Revenue from Operation
- 10 Return on Capital employed (ROCE) = Profit before interest and tax /(Tangible Networth+ Total Debt+Deffered Tax Liability)

**ANNEXURE- XXX**

**DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED**

**A. (a) Board of Directors & Key Managerial Personnel (KMP):**

|                           |  |
|---------------------------|--|
| Ashraf Perinkadakkad      | Chairman & Managing Director                           |
| Mohamedali Cheruparambil  | Whole Time Director (appointed w.e.f 5th August, 2024) |
| Kunhimohamed Perinkadakat | Director (Resigned w.e.f 5th August, 2024)             |
| Kunhimoidu                | Director (Resigned w.e.f 5th August, 2024)             |
| Fatima Jasna Kottekkattu  | Executive Director                                     |
| Reshmi Nilambur Kovilakam | Company Secretary & Compliance Officer                 |
| Mahesh Karattu Vellattu   | Chief Financial Officer (CFO)                          |
| Afnas                     | Independent Director                                   |

**(b) Promoters & their Relatives having control:**

|                |                      |
|----------------|----------------------|
| Asya           | Relative of Director |
| Afsal Rahman P | Relative of Director |

**(c) Relatives of Promoters who are under the employment of the company:**

|      |                      |
|------|----------------------|
| Asya | Relative of Director |
|------|----------------------|

**(d) Companies over which Directors have significant influence or control:**

AJC Jewellery Trading LLC

**(e) Other entities over which there is significant control:**

Vismaya Furniture  
Vismaya Gold

**B. Details of related party transactions during the year:**

**(Rs. In Lakhs)**

| Nature of Transaction            | Name of Related Party                   | Relationship   | Period ended on<br>December 31, 2024 | Ended on<br>March 31, 2024 | Ended on<br>March 31, 2023 | Ended on<br>March 31, 2022 |
|----------------------------------|---|--|--------------------------------------|----------------------------|----------------------------|----------------------------|
| <b>Director's Remuneration</b>   | - Ashraf Perinkadakkad                  | Chairman & Managing Director                                     | 40.50                                | 42.00                      | 42.00                      | 15.25                      |
|                                  | - Mohamedali Cheruparambil              | Whole Time Director (appointed w.e.f 5th August, 2024)           | 5.06                                 | -                          | -                          | -                          |
|                                  | - Kunhimohamed Perinkadakkat            | Director (Resigned w.e.f 5th August, 2024)                       | 15.00                                | 24.00                      | 24.00                      | 12.28                      |
|                                  | - Fathima Jasna                         | Executive Director   | 6.00                                 | 5.00                       | -                          | -                          |
| <b>Salary Expense</b>            | - Reshmi Nilambur Kovilakam             | Company Secretary & Compliance Officer                           | 3.15                                 | 0.35                       | -                          | -                          |
|                                  | - Mahesh Karattu Vellattu               | Chief Financial Officer (CFO)                                    | 5.06                                 | 7.09                       | 6.87                       | 6.23                       |
|                                  | - Asya                                  | Relative of Director   | 6.00                                 | 5.00                       | -                          | -                          |
| <b>Sales</b>                     | - Ashraf Perinkadakkad                  | Chairman & Managing Director                                     | -                                    | 4.24                       | -                          | 0.08                       |
|                                  | - Kunhimohamed Perinkadakkat            | Director (Resigned w.e.f 5th August, 2024)                       | -                                    | 0.47                       | 2.62                       | -                          |
|                                  | - AJC Jewellery Trading LLC             | Companies over which KMP's have significant influence or control | 3,396.73                             | 8,500.75                   | -                          | -                          |
|                                  | - Mahesh Karattu Vellattu               | Chief Financial Officer (CFO)                                    | 0.13                                 | -                          | -                          | -                          |
| <b>Purchases</b>                 | - Ashraf Perinkadakkad                  | Chairman & Managing Director                                     | -                                    | 4.37                       | -                          | 0.31                       |
|                                  | - Kunhimoidu                            | Director (Resigned w.e.f 5th August, 2024)                       | -                                    | 17.79                      | -                          | 13.03                      |
|                                  | - Mohamedali Cheruparambil              | Whole Time Director (appointed w.e.f 5th August, 2024)           | 5.44                                 | -                          | -                          | -                          |
|                                  | - Mahesh Karattu Vellattu               | Chief Financial Officer (CFO)                                    | 2.40                                 | -                          | -                          | -                          |
|                                  | - Afnas                                 | Independent Director   | 0.92                                 | -                          | -                          | -                          |
|                                  | - Vismaya Gold                          | Entities over which KMP's have significant influence or control  | 65.89                                | -                          | -                          | -                          |
|                                  | - Afsal Rahman P                        | Relative of Director   | 0.94                                 | -                          | -                          | -                          |
| <b>Purchases of Fixed Assets</b> | - Vismaya Furniture                     | Entities over which KMP's have significant influence or control  | -                                    | 5.30                       | 2.71                       | 0.52                       |
|                                  | - Vismaya Gold                          | Entities over which KMP's have significant influence or control  | -                                    | -                          | 20.31                      | -                          |
| <b>Sales of Fixed Assets</b>     | - Vismaya Furniture                     | Entities over which KMP's have significant influence or control  | -                                    | -                          | -                          | 0.75                       |
| <b>Loans</b>                     | - Ashraf Perinkadakkad                  | Chairman & Managing Director                                     |                                      |                            |                            |                            |
|                                  | Opening Balance                         |  | -                                    | 182.67                     | 162.49                     | 207.53                     |
|                                  | Add: Loan Taken During the Year         |  | -                                    | 51.15                      | 20.18                      | 0.31                       |
|                                  | Less: Repayment of Loan During the year |  | -                                    | 233.82                     | -                          | 45.35                      |
|                                  | Closing Balance                         |  | -                                    | -                          | 182.67                     | 162.49                     |
|                                  | - Kunhimohamed Perinkadakkat            | Director (Resigned w.e.f 5th August, 2024)                       |                                      |                            |                            |                            |
|                                  | Opening Balance                         |  | -                                    | 24.19                      | 15.80                      | 15.80                      |
|                                  | Add: Loan Taken During the Year         |  | -                                    | -                          | 65.28                      | -                          |
|                                  | Less: Repayment of Loan During the year |  | -                                    | 24.19                      | 56.88                      | -                          |
|                                  | Closing Balance                         |  | -                                    | -                          | 24.19                      | 15.80                      |

**C. Closing Balances of Related Parties as at December 31, 2024**

| Nature of Transaction                  | Name of Related Party        | Relationship   | Period ended on<br>December 31, 2024 | Ended on<br>March 31, 2024 | Ended on<br>March 31, 2023 | Ended on<br>March 31, 2022 |
|--|------------------------------|--|--------------------------------------|----------------------------|----------------------------|----------------------------|
| <b>Trade Receivables</b>               | - AJC Jewellery Trading LLC  | Companies over which KMP's have significant influence or control | 97.89                                | 0.01                       | -                          | -                          |
|  | - Vismaya Gold               | Entities over which KMP's have significant influence or control  | -                                    | 0.001                      | -                          | -                          |
|  | - Mahesh Karattu Vellattu    | Chief Financial Officer (CFO)                                    | 0.14                                 | -                          | -                          | -                          |
| <b>Trade Payables</b>                  | - Vismaya Gold               | Entities over which KMP's have significant influence or control  | -                                    | -                          | -                          | 103.11                     |
|  | - Vismaya Furniture          | Entities over which KMP's have significant influence or control  | -                                    | 0.53                       | -                          | -                          |
|  | - Afsal Rahman P             | Relative of Director   | 0.94                                 | -                          | 1.00                       | 1.00                       |
|  | - Mahesh Karattu Vellattu    | Chief Financial Officer (CFO)                                    | -                                    | -                          | -                          | 2.02                       |
| <b>Purchase of Fixed Assets</b>        | - Vismaya Furniture          | Entities over which KMP's have significant influence or control  | 0.53                                 | 0.53                       | -                          | -                          |
| <b>Director's Remuneration Payable</b> | - Kunhimohamed Perinkadakkat | Director (Resigned w.e.f 5th August, 2024)                       | -                                    | -                          | 1.56                       | 13.46                      |
|  | - Ashraf Perinkadakkad       | Chairman & Managing Director                                     | 0.97                                 | -                          | 2.24                       | 16.26                      |
| <b>Loans</b>                           | - Ashraf Perinkadakkad       | Chairman & Managing Director                                     | -                                    | -                          | 182.67                     | 162.49                     |
|  | - Kunhimohamed Perinkadakkat | Director (Resigned w.e.f 5th August, 2024)                       | -                                    | -                          | 24.19                      | 15.80                      |

**D. Loans Sanctioned on Directors Personal Guarantees**

**(Rs. in lakhs)**

| Particular                  | Sanctioned Amount                                  | Outstanding amount as on December 31, 2024 |
|-----------------------------|--|--|
| ICICI Bank- Cash Credit     | Limit-2900.00                                      | 727.15                                     |
|                             | As communicated by ICICI Bank at time of drawdown. |  |
| ICICI Bank- Gold Metal Loan | Sub Limit of above ICICI Bank- Cash Credit         | 535.14                                     |
| Axis Bank- Cash Credit      | Limit-500.00                                       | 63.95                                      |
| Axis Bank- Gold Metal Loan  | 450.00 Sub-Limit of above Axis Bank-               | 286.66                                     |

# ANNEXURE- XXXI

## RESTATED STATEMENT OF CAPITALIZATION AS AT 31ST DECEMBER, 2024

| (Rs. in lakhs)                            |                |            |
|---|----------------|------------|
| Particulars                               | Pre Issue      | Post Issue |
| <b>Borrowings</b>                         |                |            |
| Short-Term Borrowings (A)                 | 1681.14        | (*)        |
| Long-Term Borrowings (B)                  | 160.26         | (*)        |
| <b>Total Borrowings (C)</b>               | <b>1841.40</b> | <b>(*)</b> |
|   |                |            |
| <b>Shareholder's Fund (Equity)</b>        |                |            |
| Share Capital                             | 444.84         | (*)        |
| Reserve & Surplus                         | 944.90         | (*)        |
| <b>Total Shareholder's Fund (D)</b>       | <b>1389.74</b> | <b>(*)</b> |
|   |                |            |
| <b>Long-Term Borrowings/ Equity (B/D)</b> | <b>0.12</b>    | <b>(*)</b> |
| <b>Total Borrowings/ Equity (C/D)</b>     | <b>1.32</b>    | <b>(*)</b> |

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

### Notes:

1. The figures disclosed above are based on the restated summary of Profit & Losses of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## ANNEXURE- XXXII

## STATEMENT OF TAX SHELTER AS RESTATED

| (Rs. in lakhs)   |                            |                         |                          |                          |
|--|----------------------------|-------------------------|--------------------------|--------------------------|
| Particulars  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023  | As at<br>March 31, 2022  |
| <b>Profit before tax, as restated (A)</b>              | 249.67                     | 442.39                  | 285.68                   | 174.89                   |
| Normal Corporate Tax Rate (%)                          | 27.82%                     | 27.82%                  | 27.82%                   | 27.82%                   |
| Minimum Alternate Tax Rate (%)                         | 16.69%                     | 16.69%                  | 16.69%                   | 16.69%                   |
| As per Section 115BAA Rate (%)                         | 25.17%                     | 25.17%                  | 25.17%                   | 25.17%                   |
| <b>Adjustments:</b>                                    |                            |                         |                          |                          |
| <b>Permanent Differences</b>                           |                            |                         |                          |                          |
| <i>Expenses disallowed under Income Tax Act, 1961</i>  |                            |                         |                          |                          |
| Gratuity Provision                                     | 5.02                       | 6.48                    | 6.95                     | 5.60                     |
| Other disallowance including u/s 36 & 37               | 4.45                       | 10.45                   | 2.74                     | 0.42                     |
| Other disallowance including u/s 40 (a) (ia)           | -                          | -                       | -                        | -                        |
| <b>Total Permanent Differences (B)</b>                 | 9.47                       | 16.93                   | 9.69                     | 6.02                     |
| <b>Income considered separately (C)</b>                | 0.69                       | -                       | -                        | -                        |
| <b>Timing Differences</b>                              |                            |                         |                          |                          |
| Depreciation as per Books                              | 26.09                      | 31.94                   | 24.10                    | 7.06                     |
| Depreciation as per Income Tax Act                     | 33.70                      | 47.04                   | 39.45                    | 13.21                    |
| Other allowances including under section 43B           | (2.90)                     | (19.04)                 | -                        | -                        |
| <b>Total Timing Differences (D)</b>                    | (10.51)                    | (34.14)                 | (15.35)                  | (6.15)                   |
| <b>Net adjustments (E) = (B+C+D)</b>                   | (0.35)                     | (17.20)                 | (5.65)                   | (0.13)                   |
| <b>Tax expenses/(saving) thereon on net adjustment</b> | (0.09)                     | (4.33)                  | (1.42)                   | (0.03)                   |
| Income from Capital Gains (F)                          | -                          | -                       | -                        | -                        |
| Income from other sources (G)                          | 0.69                       | -                       | -                        | -                        |
| Exempt Income/ Non-Taxable (H)                         | -                          | -                       | -                        | -                        |
| <b>Income/ (Loss) (A+E+F+G-H)</b>                      | 250.01                     | 425.19                  | 280.03                   | 174.76                   |
| <b>Brought Forward Loss Set Off</b>                    |                            |                         |                          |                          |
| - Ordinary Business Loss & Unabsorbed Depreciation     | -                          | -                       | -                        | -                        |
| Deductions under Chapter-VIA                           | -                          | -                       | -                        | -                        |
| Taxable income/(loss)                                  | 250.01                     | 425.19                  | 280.03                   | 174.76                   |
| <b>Tax as per Normal Provisions</b>                    | 69.55                      | 118.29                  | 77.90                    | 48.62                    |
| <b>Tax as per Section 115BAA</b>                       | 62.93                      | 107.02                  | 70.48                    | 43.99                    |
| Income as per MAT                                      | 249.67                     | 442.39                  | 285.68                   | 174.89                   |
| Taxable Income/(Loss) as per MAT                       | 249.67                     | 442.39                  | 285.68                   | 174.89                   |
| <b>Tax as per MAT</b>                                  | 41.67                      | 73.83                   | 47.68                    | 29.19                    |
| <b>Tax Paid as per-</b>                                | <b>Section 115BAA</b>      | <b>Section 115BAA</b>   | <b>Normal Provisions</b> | <b>Normal Provisions</b> |

**ANNEXURE- XXXIII**

**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED**

| (Rs. in lakhs)         |                            |                         |                         |                         |
|------------------------|----------------------------|-------------------------|-------------------------|-------------------------|
| Particulars            | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Contingent liabilities | NIL                        | NIL                     | NIL                     | NIL                     |

Refer Note XII under Annexure XXXV

**ANNEXURE- XXXIV**

**OTHER FINANCIAL INFORMATION AS RESTATED**

| (Rs. in lakhs)  |                            |                         |                         |                         |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
| Particulars   | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)  | 185.32                     | 331.94                  | 203.89                  | 126.19                  |
| Add: Depreciation   | 26.09                      | 31.94                   | 24.10                   | 7.06                    |
| Add: Finance Cost   | 136.28                     | 160.45                  | 90.94                   | 32.60                   |
| Add: Income Tax/ Deferred Tax   | 64.35                      | 110.45                  | 81.79                   | 48.70                   |
| Less: Other Income  | 47.97                      | 95.15                   | 6.64                    | 0.58                    |
| <b>Restated Earnings Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>   | <b>364.07</b>              | <b>539.63</b>           | <b>394.08</b>           | <b>213.97</b>           |
| <b>EBITDA Margin (%)</b>  | <b>2.08%</b>               | <b>2.19%</b>            | <b>2.03%</b>            | <b>1.68%</b>            |
| Weighted Average Number of Equity Shares at the end of the period (B)   | 44,48,360                  | 40,30,584               | 28,43,220               | 28,43,220               |
| Weighted Average Number of Equity Shares considering Bonus Impact (C)<br>(Post Bonus after restated period with retrospective effect) | 44,48,360                  | 40,30,584               | 28,43,220               | 28,43,220               |
| Net Worth, as restated (D)  | 1,389.74                   | 1,204.42                | 711.96                  | 508.07                  |
| <b>Earnings per Share</b>   |                            |                         |                         |                         |
| Restated Basic EPS (Before Bonus) (A/B)   | 4.17                       | 8.24                    | 7.17                    | 4.44                    |
| Restated Basic EPS (After Bonus) (A/C)  | 4.17                       | 8.24                    | 7.17                    | 4.44                    |
| Return on Net Worth (%) (A/D)   | 13.33%                     | 27.56%                  | 28.64%                  | 24.84%                  |
| Net Assets value per Equity Share (Before Bonus) (D/B)  | 31.24                      | 29.88                   | 25.04                   | 17.87                   |
| Net Assets value per Equity Share (After Bonus) (D/C)   | 31.24                      | 29.88                   | 25.04                   | 17.87                   |

**The definitions of ratio / formulas used for actual computation are as follows:**

1. Restated EBITDA=Restated PAT+Depreciation+Finance cost+Income tax-other income
2. EBITDA Margin=EBITDA/REVENUE FROM OPERATION
3. Restated Basic EPS (Before Bonus) (A/B)=Restated PAT/No of shares at the end of period
4. Restated Basic EPS (After Bonus) (A/C)=Restated PAT/No of shares after bonus
5. Return on Net Worth (%) (A/D)=Restated PAT/Shareholder's Equity
6. Net Assets value per Equity Share (Before Bonus) (D/B)=Net worth restated/No of equity shares at the end of the Period
7. Net Assets value per Equity Share (After Bonus) (D/C)=Net worth restated/No of equity shares after Bonus Impact



**ANNEXURE- XXXV**

**Notes to the Standalone Restated Financial Statements:**

**I. Long Term Employee Benefits [AS-15]- Defined Benefits Plans:**

Accounting Standard (AS)- 15 issued by ICAI is mandatory. The Company has accounted for Long Term employee benefits based on Actuarial Valuation report.

**Assumption used by Actuarial for Gratuity Provision**

| Particulars                                       | For the period ended on                          |  |  |  |
|---|--|--|--|--|
|   | December 31, 2024                                | March 31, 2024                                   | March 31, 2023                                   | March 31, 2022                                   |
| Discount Rate                                     | 7.25% per annum                                  | 7.25% per annum                                  | 7.5% per annum                                   | 7.25% per annum                                  |
| Salary Growth Rate                                | 5.00% per annum                                  | 5.00% per annum                                  | 5.00% per annum                                  | 5.00% per annum                                  |
| Mortality   | IALM 2012-14                                     | IALM 2012-14                                     | IALM 2012-14                                     | IALM 2012-14                                     |
| Expected rate of return                           | -  | -  | -  | -  |
| Withdrawal rate                                   | 10.00% per annum                                 | 10.00% per annum                                 | 10.00% per annum                                 | 10.00% per annum                                 |
| Normal Retirement Age                             | 55 Years   | 55 Years   | 55 Years   | 55 Years   |
| Salary  | Last drawn qualifying salary                     | Last drawn qualifying salary                     | Last drawn qualifying salary                     | Last drawn qualifying salary                     |
| Vesting Period                                    | 5 Years of service                               | 5 Years of service                               | 5 Years of service                               | 5 Years of service                               |
| Benefits on Normal Retirement                     | 15/26*Salary*Past Service (Yr.)                  | 15/26*Salary*Past Service (Yr.)                  | 15/26*Salary*Past Service (Yr.)                  | 15/26*Salary*Past Service (Yr.)                  |
| Benefit on early exit due to death and disability | As above except that no vesting conditions apply | As above except that no vesting conditions apply | As above except that no vesting conditions apply | As above except that no vesting conditions apply |
| Limit   | 20,00,000  | 20,00,000  | 20,00,000  | 20,00,000  |

**Table Showing Changes in Present Value of Obligations:**

| Period   | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|-------------------|----------------|----------------|----------------|
| Present value of the obligation at the beginning of the period | 19,03,792         | 12,55,412      | 5,60,019       | 2,49,390       |
| Interest cost  | 1,03,519          | 91,017         | 40,601         | 18,081         |
| Current service cost   | 4,83,768          | 5,98,691       | 4,94,264       | 3,06,363       |
| Past Service Cost  | -                 | -              | -              | -              |
| Benefits paid (if any)   | -                 | -              | -              | -              |
| Actuarial (gain)/loss  | (85,530)          | (41,328)       | 1,60,528       | (13,815)       |
| Present value of the obligation at the end of the period       | 24,05,549         | 19,03,792      | 12,55,412      | 5,60,019       |

**Reconciliation of liability in balance sheet**

| Period   | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|-------------------|----------------|----------------|----------------|
| Opening net defined benefit liability/ (asset) | 19,03,792         | 12,55,412      | 5,60,019       | 2,49,390       |
| Expenses to be recognized in P&L               | 5,01,757          | 6,48,380       | 6,95,393       | 3,10,629       |
| Employer Contribution                          | (19,03,792)       | -              | -              | -              |
| Closing net defined benefit liability/(asset)  | 5,01,757          | 19,03,792      | 12,55,412      | 5,60,019       |

*(Source: Based on Valuation report Mr. Ashok Kumar Garg (Fellow Member of Institute of Actuaries of India -00057))*

**Note:**

1. The Company is has opted for the Defined Contribution Plan for the period 31st March, 2024 and onwards, and accordingly the Company is making contributions to the LIC fund.

**ANNEXURE- XXXV**

**II. Details on derivative instruments and unhedged foreign currency exposures**

| (Rs. in lakhs)  |                            |                         |                         |                         |
|---|----------------------------|-------------------------|-------------------------|-------------------------|
| Particulars   | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| The year-end foreign currency exposures that have been hedged by a derivative instrument                  | NIL                        | NIL                     | NIL                     | NIL                     |
| The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise | NIL                        | NIL                     | NIL                     | NIL                     |

**III. Income and Expenditure in Foreign Currency**

**i Income earned in foreign currency (accrual basis)**

| (Rs. in lakhs)   |                            |                         |                         |                         |
|------------------|----------------------------|-------------------------|-------------------------|-------------------------|
| Particulars      | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Sales of Product | 3,371.74                   | 8,676.72                | -                       | -                       |
| <b>Total</b>     | <b>3,371.74</b>            | <b>8,676.72</b>         | <b>-</b>                | <b>-</b>                |

**ii Expenditure incurred in foreign currency (accrual basis)**

| (Rs. in lakhs)                             |                            |                         |                         |                         |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
| Particulars                                | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Purchases of Raw Material and Traded Goods | NIL                        | NIL                     | NIL                     | NIL                     |
| <b>Total</b>                               | <b>-</b>                   | <b>-</b>                | <b>-</b>                | <b>-</b>                |

**IV. Segment Information**

The Company operates in a single reportable segment which is governed by same set of risks and returns, thus the reporting requirements under Accounting Standard 17 'Operating Segments' have not been presented in the financial statements.

**V. Restated Standalone Statement of Earnings per Equity Share**

| (Rs. in lakhs)   |                            |                         |                         |                         |
|--|----------------------------|-------------------------|-------------------------|-------------------------|
| Particulars  | As at<br>December 31, 2024 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Before Exceptional Items</b>  |                            |                         |                         |                         |
| 1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs) | 185.32                     | 331.94                  | 203.89                  | 126.19                  |
| 2. Weighted Average number of equity shares used as denominator for calculating EPS (Pre-Bonus)                | 44,48,360                  | 40,30,584               | 28,43,220               | 28,43,220               |
| 3. Weighted Average number of equity shares used as denominator for calculating EPS (Post-Bonus)               | 44,48,360                  | 40,30,584               | 28,43,220               | 28,43,220               |
| 4. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share) (Pre-Bonus)                        | <b>4.17</b>                | <b>8.24</b>             | <b>7.17</b>             | <b>4.44</b>             |
| 5. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share) (Post-Bonus)                       | <b>4.17</b>                | <b>8.24</b>             | <b>7.17</b>             | <b>4.44</b>             |

**VI. Details of CSR**

| (Rs. in lakhs)                                 |                         |                |                |                |
|--|-------------------------|----------------|----------------|----------------|
| Particulars                                    | For the period ended on |                |                |                |
|  | December 31, 2024       | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| 1. Amount Required to be spent during the year | NA                      | NA             | NA             | NA             |
| 2. Amount of expenditure incurred              | NA                      | NA             | NA             | NA             |
| 3. Shortfall at the end of the year            | NA                      | NA             | NA             | NA             |
| 4. Total of previous years shortfall           | NA                      | NA             | NA             | NA             |
| 5. Reasons for shortfall                       | NA                      | NA             | NA             | NA             |
| 6. Nature of CSR Activities                    | NA                      | NA             | NA             | NA             |

**VII. Additional regulatory information**

**(a) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ended on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022

**(b) Compliance with approved scheme of arrangements**

The Company is not engaged in any scheme of arrangements.

**(c) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

- (d) **Undisclosed income**  
During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (e) **Compliance with numbers of layers of companies**  
The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the period ended on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022
- (f) **Whistleblower Complaint**  
The Company has not received any whistleblower complaint during the year. No frauds had been noticed by or reported to the Company.
- (g) **Utilisation of borrowed funds and share premium**  
During the year, 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- (h) There are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (i) The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (j) The Company has no immovable property (other than properties where the company is lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- (k) The Company has not revalued its Property, Plant and Equipment during the year and Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable during the year.
- (l) The Company does not have any intangible assets under development as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.
- (m) The company has not granted loans or advances in the nature of loans are guaranteed to Promoters, Directors, KMPs and related parties (as defined under Companies Act, 2013) Either severally or jointly with any other person that are:  
(a) repayable on demand  
(b) without specifying any terms or period of repayment
- (n) The company has registered all charge or satisfaction with registrar of company as on December 31, 2024

#### VIII. **Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

#### IX. **Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) and as confirmed to us there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to NIL.

#### X. **Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

#### XI. **Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

#### XII. **Pending Litigations**

As on 15th April, 2025, the company does not have any pending litigation.

#### XIII. **Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS)-22.

## OTHER FINANCIAL INFORMATION

### ANNEXURE - XXXIV: RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

(₹ in Lakhs except the percentage % data)

| Particulars  | As at<br>December<br>31, 2024 | As at<br>March<br>31, 2024 | As at<br>March<br>31, 2023 | As at<br>March<br>31, 2022 |
|--|-------------------------------|----------------------------|----------------------------|----------------------------|
| Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)   | 185.32                        | 331.94                     | 203.89                     | 126.19                     |
| Add: Depreciation  | 26.09                         | 31.94                      | 24.10                      | 7.06                       |
| Add: Finance Cost  | 136.28                        | 160.45                     | 90.94                      | 32.60                      |
| Add: Income Tax/ Deferred Tax  | 64.35                         | 110.45                     | 81.79                      | 48.70                      |
| Less: Other Income   | 47.97                         | 95.15                      | 6.64                       | 0.58                       |
| <b>Restated Earnings Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>                              | <b>364.07</b>                 | <b>539.63</b>              | <b>394.08</b>              | <b>213.97</b>              |
| <b>EBITDA Margin (%)</b>   | <b>2.08%</b>                  | <b>2.19%</b>               | <b>2.03%</b>               | <b>1.68%</b>               |
| Number of Equity Shares at the end of the period (B)   | 44,48,360                     | 40,30,584                  | 28,43,220                  | 28,43,220                  |
| Number of Equity Shares considering Bonus Impact (C)<br>(Post Bonus after restated period with retrospective effect) | 44,48,360                     | 40,30,584                  | 28,43,220                  | 28,43,220                  |
| Net Worth, as restated (D)   | 1,389.74                      | 1,204.42                   | 711.96                     | 508.07                     |
| <b>Earnings per Share</b>  |                               |                            |                            |                            |
| Restated Basic EPS (Before Bonus) (A/B)  | 4.17                          | 8.24                       | 7.17                       | 4.44                       |
| Restated Basic EPS (After Bonus) (A/C)   | 4.17                          | 8.24                       | 7.17                       | 4.44                       |
| Return on Net Worth (%) (A/D)  | 13.33%                        | 27.56%                     | 28.64%                     | 24.84%                     |
| Net Assets value per Equity Share (Before Bonus) (D/B)   | 31.24                         | 29.88                      | 25.04                      | 17.87                      |
| Net Assets value per Equity Share (After Bonus) (D/C)  | 31.24                         | 29.88                      | 25.04                      | 17.87                      |

#### Notes:

- Restated EBITDA=Restated PAT+Depreciation+Finance cost+Income tax-other income
- EBITDA Margin=EBITDA/REVENUE FROM OPERATION
- Restated Basic EPS (Before Bonus) (A/B)=Restated PAT/No of shares at the end of period
- Restated Basic EPS (After Bonus) (A/C)=Restated PAT/No of shares after bonus
- Return on Net Worth (%) (A/D)=Restated PAT/Shareholder's Equity
- Net Assets value per Equity Share (Before Bonus) (D/B)=Net worth restated/No of equity shares at the end of the Period
- Net Assets value per Equity Share (After Bonus) (D/C)=Net worth restated/No of equity shares after Bonus Impact

## CAPITALISATION STATEMENT

### ANNEXURE - XXX: RESTATED STATEMENT OF CAPITALISATION

The following table sets forth our capitalisation derived from our Restated Financial Statements as at December 31, 2024, and as adjusted for the issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Restated Financial Statements*” and “*Risk Factors*” on pages 270, 227, and 35, respectively of this Draft Red Herring Prospectus.

(₹ in Lakhs)

| Particulars                               | Pre Issue       | Post Issue |
|---|-----------------|------------|
| <b>Borrowings</b>                         |                 |            |
| Short-Term Borrowings (A)                 | 1,681.14        | (*)        |
| Long-Term Borrowings (B)                  | 160.26          | (*)        |
| <b>Total Borrowings (C)</b>               | <b>1,841.40</b> | (*)        |
|   |                 |            |
| <b>Shareholder's Fund (Equity)</b>        |                 |            |
| Share Capital                             | 444.84          | (*)        |
| Reserve & Surplus                         | 944.90          | (*)        |
| <b>Total Shareholder's Fund (D)</b>       | <b>1,389.74</b> | (*)        |
|   |                 |            |
| <b>Long-Term Borrowings/ Equity (B/D)</b> | 0.12            | (*)        |
| <b>Total Borrowings/ Equity (C/D)</b>     | 1.32            | (*)        |

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

#### Notes:

1. The figures disclosed above are based on the restated summary of Profit & Loss of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on December 31, 2024:

(₹ in Lakhs)

| Nature of Borrowing  | Amount          |
|----------------------|-----------------|
| Secured Borrowings   | 1,671.40        |
| Unsecured Borrowings | 170.00          |
| <b>Total</b>         | <b>1,841.40</b> |

### DETAILS OF BORROWINGS:

| S. No. | Lender                                   | Type                        | Nature of Facility   | Loan<br>(₹ in Lakhs)                         | Amount<br>Outstanding<br>as at<br>December<br>31, 2024<br>(₹ in Lakhs) | Rate of<br>Interest  | Repaym<br>ent<br>Terms  |
|--------|--|-----------------------------|--|--|--|--|-------------------------|
| 1      | Axis Bank                                | Secured<br>(Refer note 1)   | Cash Credit  | Limit-<br>500.00                             | 63.95  | 9.00% per annum  | -                       |
| 2      | Axis Bank                                | Secured<br>(Refer note 2)   | Gold Metal Loan<br>(Note: Subjected to Bank being allowed to offer this product by RBI)<br>GML as Sub Limit of CC facility | 450.00<br>Sub-Limit of above Axis Bank Loan. | 286.66   | Linked to the International Gold Interest Rate<br>As per Treasury Rate | (Refer Note 1 – A)      |
| 3      | ICICI Bank                               | Secured<br>(Refer note 3)   | Auto Loan  | 9.00   | 8.87   | 9.70% per annum  | Repayabl e in 60 months |
| 4      | ICICI Bank                               | Secured<br>(Refer note 4)   | Auto Loan  | 50.00  | 49.63  | 11.5% per annum  | Repayabl e in 60 months |
| 5      | Kisetsu Saison Finance (India) Pvt. Ltd. | Unsecured                   | Business Loan  | 60.00  | 60.00  | 16.00% per annum   | Repayabl e in 24 months |
| 6      | SMFG India Credit Co. Ltd.               | Unsecured                   | Business Loan  | 30.21  | 30.21  | 17.00% per annum   | Repayabl e in 25 months |
| 7      | TATA Capital                             | Unsecured                   | Business Loan<br>Verified Income Program   | 40.63  | 40.63  | 16.00% per annum   | Repayabl e in 48 months |
| 8      | ICICI Bank                               | Unsecured<br>(Refer note 5) | Business Loan  | 45.00  | 39.16  | 15.50% per annum   | Repayabl e in 36 months |
| 9      | ICICI Bank*                              | Secured<br>(Refer note 6)   | Cash Credit  | Limit-<br>2900.00                            | 727.15   | 9.25% per annum  | -                       |

| S. No. | Lender     | Type                   | Nature of Facility | Loan<br>(₹ in Lakhs)   | Amount Outstanding as at December 31, 2024<br>(₹ in Lakhs) | Rate of Interest      | Repayment Terms |
|--------|------------|------------------------|--------------------|--|--|-----------------------|-----------------|
| 10     | ICICI Bank | Secured (Refer note 6) | Gold Metal Loan    | As communicated by ICICI Bank at time of drawdown.<br><br>Sub Limit of above ICICI Bank- Cash Credit | 535.14   | As per Treasury Rates | Refer note 6-A  |

As certified by M/s. Kumar & Biju Associates LLP, Statutory Auditor of our Company, by way of their certificate dated, April 28, 2025.

Note:

1. **Primary:**

1) Hypothecation of entire current assets of the borrower present and future.

**Ranking:** First Pari Passu basis with ICICI Bank

Collateral: Equitable Mortgage of the following Property:

1) Leasehold Industrial Property admeasuring 50 cents with building at in SY No 188/2 and 188/4 of Panakkad Village, Eranad Taluk, Malappuram District, leased by M/s. INKEL KSIDC Projects Ltd. to M/s. AJC Jewel Manufacturers Ltd (Formerly known as AJC Jewel Manufacturers Pvt. Ltd.).

**Guarantor:** Personal Guarantee of Directors

1-A. **For Domestic Sales:** Lower of 180 days and gross operating cycle of the borrower assessed by the bank based on the latest audited financials.

**For Export Sales:** Lower of 270 days (90 days for manufacturing and 180 days for realization of exports) and gross operating cycle of the borrower assessed by the bank based on the latest audited financials

2. **GML:**

i) By way of earmarking the available DP to the extent of 110% of the value of gold being disbursed

ii) Other Security as applicable for CC facility

iii) No drawing under CC facility would be permitted against the DP already earmarked for GML facility.

If only XAU/USD is priced then, margin/security cover of 102% of the notional liability will be applicable

If USD/INR is also booked along with XAU/USD margin/security cover of 100% of the notional liability will be applicable and there will be no MTM for the Gold Metal Loan as liability is fixed.

3. Hypothecation of Vehicle- Mahindra Bolero Neo N.

4. Hypothecation of Vehicle: Mercedes Benz- GLC220D.

5. **Lien & Set off:** (I) Without prejudice to any rights of ICICI Bank, ICICI Bank shall have a paramount lien and right of set-off against all monies of the Borrower standing to the credit of the Borrower in any account(s) (including fixed deposit) of the Borrower with ICICI Bank, whether held singly or jointly, and on any monies, securities, bonds and other assets, documents and properties held by /under the control of ICICI Bank and the Borrower authorizes ICICI Bank to debit the account(s) of the Borrower with ICICI Bank or to apply any credit balance to which the Borrower is entitled on any account of the Borrower with ICICI Bank in satisfaction of any sum, whether for principal or interest or otherwise due and payable by the Borrower to ICICI Bank under the loan and/or Standard Terms and Conditions.

(II) Nothing herein contained shall prejudice or adversely affect any general or special lien or right to set-off to which ICICI Bank is or may by law or otherwise be entitled or any rights or remedies of ICICI Bank including in respect of any present or future security, guarantee obligations of the Borrower.

(III) The Borrower further agrees that in addition to an without prejudice to any other right or lien enjoyed by ICICI Bank, ICICI Bank will further be entitled at any point of time and without notice to the Borrower to combine or consolidate all or any of the Borrower's accounts (including any fixed deposits) held with ICICI Bank and all the credits and liabilities therein and set off or transfer any sum standing to the credit of any one or more of such accounts in or towards satisfaction of any of the Borrower's liabilities to ICICI Bank on any account whatsoever, whether such liabilities are actual or contingent, primary or collateral and whether joint or several.

## 6. Securities Details:

### I) Immovable Fixed Assets.

- a) Rsy No. 63/5-5, Block-51, Budget Supermarket, 90 m Manjeri Ernad Malappuram Kerela, INDIA, 676121
- b) Rsy No. 74/6-4, Block-51, Ernad Taluk Manjeri Village, Malappuram Kerela, India, 676121
- c) Sy No. 143/5267 Door No 12/347, Kolikkal Kattippara Kattipara Village,-,- Kozhikode, Kattippara, Kerela, India, 673573
- d) Door No. 15/226/B, Rsy No. 63/5-4, 63/13-2, Block-51, Manjeri Village Ernad Taluk Ernad Taluk Malappuram Kerela, India, 676121
- e) Door No. 18/367/A, Rsy No. 219/1-6, 219/1-7, 219/1-8, Block-4, Othukkungal Malappuram, Kerela, INDIA, 676528
- f) Door No. 31/244/A To I, Rsy No. 74/6-1, Block-51, Manjery Municipality Ernad Taluk Malappuram Kerela, India, 673604
- g) Osy No:47/2,47/4A, Rsyno: 268/1-2-1, Thiruvegapura Panjayath, Thiruvegapura Village, Pattambi Taluk, Palakkad , Kerala , India , 679308
- h) Door No. 4/481a, Rsy No. 131/5-6 , Parappur Village , Parappur Village , Thirurangadi taluk , Malappuram , Kerala , India , 676503
- i) Rsy No. 27/4-4 , Parappur Village , Tirurangadi Taluk , Tirurangadi Taluk , Malappuram , Malappuram , Kerala , India , 676503
- j) Door No. 50/354-A, Rsy No. 42/23-2, 23-6, B , Block-51 , Manjeri Village , Ernad Taluk , Malappuram , Kerala , Inida , 676304,

### II) Personal Guarantee of Directors.

### III) Current Assets

- 6-A. Each drawdown shall be availed for a maximum period of 90 days(180 days pre shipment and 180 days post shipment) for export of gold jewellery & For a maximum period of 270 days for sale of gold jewellery in domestic markets (subject to RBI guidelines and regulations).



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

*The following discussion and analysis of our financial condition and results of operations for the period ended December 31, 2024 and Fiscal Years 2024, 2023, and 2022 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 227 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with AS.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 35 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to AJC Jewel Manufacturers Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period ended December 31, 2024 and Financial Years 2024, 2023, and 2022 included in this Draft Red Herring Prospectus beginning on page 227 of this Draft Red Herring Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### BUSINESS OVERVIEW

Our Company is primarily engaged in the business of manufacturing and designing the wide range of wholesale Gold Jewellery which includes plain gold, studded and named jewellery available in 22karat and 18Karat. As at December 31, 2024, plain gold, studded gold and named Jewellery contributed 33.45 %, 42.12 % and 6.34 % , respectively of our revenue from operations. Our Company manufactures the finished gold jewellery from the raw gold i.e. bullions and required consumables and sell it to dealers, showrooms, corporates and small jewellery shops in the wholesale quantities. We provide an extensive range of jewellery designs of plain gold, rose gold, the jewellery studded with Cubic Zircon and / or coloured stones and named jewellery customized and designed in detail, keeping in mind the customer's unique preferences and requirements. Our Company manufactures jewellery for three categories of Individuals men, women and children.

Our Company marked its footprints in the year 2014, when one of our promoter Mr. Ashraf P alongwith his father Mr. Kunhimohamed P jointly entered into manufacturing business of gold jewellery in the name and style as "Vismaya Gold". Our Company was established in the year 2018 vide Certificate of Incorporation dated March 23, 2018 as a Private Limited Company under the name "Pheonix Gold Castings Private Limited" with Mr. Ashraf P and Mr. Kunhimohamed P as the initial subscribers of our Company. Our Company changed its name to "AJC Jewel Manufacturers Private Limited" vide Certificate of Incorporation dated May 14, 2020. Further, the name of our company was changed to "AJC Jewel Manufacturers Limited" pursuant to Conversion of Company from private to public vide Certificate of Incorporation dated September 24, 2024. Our Company is currently promoted by Mr. Ashraf P, Mr. Kunhimohamed P and Ms. Fathima Jasna Kottekkattu. Our Promoter Mr. Ashraf P manages and control the major affairs of our Business Operations with his considerable experience in our Industry. For more details, please see the chapter titled, "Our Management" and "Our Promoters and Promoter Group" on page 202 and 218 of this Draft Red Herring Prospectus.

We cater to a large number of local dealers, showrooms and small-scale jewellery shops who buy our products in bulk quantities. We cater to a variety of customers across mid-market and value market segments and our products are designed by our in-house team of designers who are CAD designers and also certain freelance designers, allowing us to manage a large and diverse portfolio of designs. Our product range includes Anklet, Bangle, Bracelet, Earrings, Necklace, Nose Pin, Pendant, Ring and customized named jewellery (like Name Bracelet, Name Pendant, Name Ring) based on the dealer's orders and end customers preferences and demands.

We have an equipped gold jewellery manufacturing facility situated at Inkel Greens Edu City, Malappuram with each processing machines and equipment having capability to design as well as manufacture gold jewellery under one roof. The manufacturing facility has an area admeasuring 21,780.76 Sq. Ft. and is taken on lease by us. Our manufacturing

facility is equipped with the necessary equipment, such as 3D printer, Wax Injector, Casting Machine, and polishing Equipment and other handling equipment, to support a seamless manufacturing process. By following necessary safety standards and conducting safety meetings, we try to keep our workplace safe. We have CAD Designers capable of handling any difficult customized orders. Therefore, we are able to provide quality products to our customers.

**Plain Gold** is the jewellery made of pure gold with no studded stones or metals mounted on it, it can be yellow gold or rose gold.

**Studded Gold jewellery** is a jewellery studded with coloured stones, Company uses Cubic Zircon and / or coloured stones for customized Jewellery on the basis of the preferences of the end customers.

**Named Gold** is a jewellery that can be personalized and engraved with a name, such as a name necklace or name bracelet.

**22 karat Gold** is an alloy that contains 91.67% pure gold and 8.33% other metals, such as copper, silver, nickel, or zinc. It is often used to make jewellery since it is more durable than 24 karat gold and is less expensive, the plain gold, studded gold and named gold are available in 22 Karat Gold.

**18 karat Gold** is a type of gold alloy that is 75% pure gold and 25% other metals, such as silver, copper, or nickel. The "K" stands for karat, which is the unit used to measure the purity of gold, usually all types of gold are available in 18 karat gold, however, Rose Gold is available only in 18 Karat Gold.

We have implemented quality control practices across the value chain to ensure that we sell gold jewellery in line with the quality and purity metrics as prescribed by our dealers. Various quality control practices are followed from the time of receiving the gold bullion to manufacturing of the final product, at each stage of the process, supervision of the quality metrics is taken care of. Our QC / QA team comprises of 4 dedicated personnel who are responsible for detailed product supervision, including its design, polishing, size and purity. Once the product is manufactured, they are delivered to the customers only after the thorough checking of quality by supervisors. We believe, strong customer relationships, drive sales, sustainability and growth.

Our Company does not provide hallmarking name services, Since, our company deals in a wholesale industry. However, in few instances if the Company has received one of retail orders, then the Company gets the jewellery hallmarked from authorized centers.

To manage our sales on PAN India basis, we have dedicated Sales manager and Customer relation executives handling all the sales from the Registered Office. The Sales manager is primarily responsible for generating enquiries, soliciting orders from dealers and conducting negotiations with them. They are also engaged in the marketing activities such as market research, information gathering, participating in exhibitions.

We procure standard gold bullion from DGFT nominated agencies (in our cases Axis Bank and HDFC Bank) and other bullion dealers. We also procure used gold from common people. We procure standard gold from nominated agencies at a premium added rate over spot gold rate. We negotiate with nominated agencies for a low premium at the time of purchase intend placing. On the other hand, when procuring from other bullion dealers, the rate is fixed by mutual negotiation. We have multiple suppliers for rate comparison. For all other consumables, we have multiple vendors from different states.

Our Company manufactures the other items which includes sales of raw gold and some service income which are shown in the financial statements. Our Company in rare case sell raw gold without further processing it into jewellery. Since these sales are infrequent and we do not actively engage in trading, we classify these sales under manufacturing income rather than trading activity.

### Key Performance Indicators of our Company.

#### As per Restated Financial Statements

(₹ in Lakhs)

| Key Financial Performance              | For the Period ended December 31, 2024 | For the Financial Year ended |                |                |
|--|--|------------------------------|----------------|----------------|
|  |  | March 31, 2024               | March 31, 2023 | March 31, 2022 |
| Revenue from Operations <sup>(1)</sup> | 17,504.76                              | 24,588.99                    | 19,418.14      | 12,739.10      |
| EBITDA <sup>(2)</sup>                  | 364.07                                 | 539.63                       | 394.08         | 213.97         |
| EBITDA Margin (%) <sup>(3)</sup>       | 2.08%                                  | 2.19%                        | 2.03%          | 1.68%          |
| PAT <sup>(4)</sup>                     | 185.32                                 | 331.94                       | 203.89         | 126.19         |

| Key Financial Performance                             | For the Period ended December 31, 2024 | For the Financial Year ended |                |                |
|---|--|------------------------------|----------------|----------------|
|   |  | March 31, 2024               | March 31, 2023 | March 31, 2022 |
| PAT Margin (%) <sup>(5)</sup>                         | 1.06%                                  | 1.35%                        | 1.05%          | 0.99%          |
| Return on equity (%) <sup>(6)</sup>                   | 14.29%                                 | 34.64%                       | 33.42%         | 24.80%         |
| Return on capital employed (%) <sup>(7)</sup>         | 11.94%                                 | 17.47%                       | 11.31%         | 17.78%         |
| Debt-Equity Ratio (times)                             | 1.32                                   | 1.87                         | 3.68           | 1.30           |
| Net fixed asset turnover ratio (times) <sup>(9)</sup> | 48.61                                  | 64.32                        | 69.97          | 108.29         |
| Current Ratio (times) <sup>(10)</sup>                 | 1.65                                   | 1.42                         | 1.19           | 1.35           |

**Notes:** M/s. Vinay Bhushan & Associates, Chartered Accountants by their certificate dated April 15, 2025

#### **Explanation of KPIs:**

- (1) Revenue from operations means the revenue from sale of our products.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income.
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- (4) PAT is calculated as PBT – Total Tax expense.
- (5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- (6) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.
- (7) Return on Capital Employed is calculated as follows: Profit before tax + Finance Costs – Other Income (EBIT) divided by (Tangible Net Worth + Total Debt + Deferred Tax Liabilities).
- (8) Debt to Equity ratio is calculated as Total Debt divided by equity.
- (9) Net Fixed asset turnover ratio is calculated by dividing the Revenue from Operations by net Fixed Assets of the Company.
- (10) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

#### **SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2024**

Except as disclosed below, In the opinion of the Board of Directors of our Company, since December 31, 2024, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months:

1. The company has satisfied its Cash Credit and Gold Metal loan taken of Rs. 1,00,00,000 from ICICI Bank on January 08, 2025.
2. The company has taken a Cash Credit and ECG Gold Loan of Rs. 25,00,00,000 from HDFC bank on January 08, 2025.
3. The Company has also satisfied its secured loan taken of Rs. 3,50,00,000 which was further modified by the company many times from ICICI Bank on March 11, 2025.

#### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of raw materials and supplies and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled “Risk Factors” beginning on page 35 of this Draft Red Herring Prospectus. Our Company’s future results of operations could be affected potentially by the following factors:

- Any slowdown or shutdown in our manufacturing operations;
- Inability to accurately manage our inventory, this may adversely affect our goodwill and business, financial condition and results of operations;
- Dependency on third-party transportation providers for the supply of raw materials and delivery of our finished products;
- Delay in order placing for the purchase of equipment;
- Failure to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability;

- Our ability to attract and retain qualified personnel;
- Restrictions on import and an increase in shipment cost may adversely impact our business, cash flows and results of operations;
- Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations;
- Conflict of interests between our Company and other venture or enterprises promoted by our promoter or directors;
- Volatility of loan interest rates and inflation;
- Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations;
- Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations;
- Our inability to maintain or improve our brand image;
- A slowdown in economic growth in India could cause our business to suffer;
- Global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects;

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to the chapter titled “*Restated Financial Statements*” beginning on page 227 of this Draft Red Herring Prospectus.

#### Results of Our Operation

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the period ended December 31, 2024, and for the financial years ended on 2024, 2023 and 2022:

(₹ in Lakhs)

| Particulars                             | For the period ended December 31, 2024 | % Of Total Income | For the year ended |                   |                  |                   |                  |                   |
|---|--|-------------------|--------------------|-------------------|------------------|-------------------|------------------|-------------------|
|   |  |                   | March 31, 2024     | % Of Total Income | March 31, 2023   | % Of Total Income | March 31, 2022   | % Of Total Income |
| <b>Income</b>                           |  |                   |                    |                   |                  |                   |                  |                   |
| Revenue from operations                 | 17,504.76                              | 99.73%            | 24,588.99          | 99.61%            | 19,418.14        | 99.97%            | 12,739.10        | 99.99%            |
| Other income                            | 47.97                                  | 0.27%             | 95.15              | 0.39%             | 6.64             | 0.03%             | 0.58             | Negligible        |
| <b>TOTAL INCOME</b>                     | <b>17,552.73</b>                       | <b>100.00 %</b>   | <b>24,684.14</b>   | <b>100.00 %</b>   | <b>19,424.78</b> | <b>100.00 %</b>   | <b>12,739.68</b> | <b>100.00 %</b>   |
|   |  |                   |                    |                   |                  |                   |                  |                   |
| <b>Expenses</b>                         |  |                   |                    |                   |                  |                   |                  |                   |
| (a) Cost of Material Consumed           | 16,716.08                              | 95.23%            | 23,536.54          | 95.35%            | 20,044.59        | 103.19 %          | 12,303.56        | 96.58%            |
| (b) Purchase of stock-in-trade          | 0                                      | 0.00%             | 0                  | 0.00%             | 0                | 0.00%             | 0                | 0.00%             |
| (c) Increase/Decrease in Stock in trade | 40.04                                  | 0.23%             | (23.94)            | (0.10)%           | (1,472.90)       | (7.58)%           | (17.50)          | (0.14)%           |

|   |                  |               |                  |               |                  |               |                  |               |
|---|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| (d) Employee benefits expense             | 305.63           | 1.74%         | 436.93           | 1.77%         | 385.02           | 1.98%         | 181.31           | 1.42%         |
| (e) Finance costs                         | 136.28           | 0.78%         | 160.45           | 0.65%         | 90.94            | 0.47%         | 32.60            | 0.26%         |
| (f) Depreciation and amortisation expense | 26.09            | 0.15%         | 31.94            | 0.13%         | 24.10            | 0.12%         | 7.06             | 0.06%         |
| (g) Other expenses                        | 78.94            | 0.45%         | 99.81            | 0.40%         | 67.35            | 0.35%         | 57.76            | 0.45%         |
| <b>TOTAL EXPENSES</b>                     | <b>17,303.06</b> | <b>98.58%</b> | <b>24,241.73</b> | <b>98.21%</b> | <b>19,139.10</b> | <b>98.53%</b> | <b>12,564.79</b> | <b>98.63%</b> |
|   |                  |               |                  |               |                  |               |                  |               |
| Profit / (Loss) before tax                | 249.67           | 1.42%         | 442.39           | 1.79%         | 285.68           | 1.47%         | 174.89           | 1.37%         |
|   |                  |               |                  |               |                  |               |                  |               |
| <b>Tax expenses:</b>                      |                  |               |                  |               |                  |               |                  |               |
| (a) Current tax expense                   | 62.93            | 0.36%         | 107.02           | 0.43%         | 77.90            | 0.40%         | 48.62            | 0.38%         |
| (b) Earlier year Tax                      | -                | -             | -                | -             | -                | -             | -                | -             |
| (c) Deferred tax expense / (benefit)      | 1.42             | 0.01%         | 3.43             | 0.01%         | 3.89             | 0.02%         | 0.08             | Negligible    |
| <b>Net tax expense/(benefit)</b>          | <b>64.35</b>     | <b>0.37%</b>  | <b>110.45</b>    | <b>0.45%</b>  | <b>81.79</b>     | <b>0.42%</b>  | <b>48.70</b>     | <b>0.38%</b>  |
|   |                  |               |                  |               |                  |               |                  |               |
| <b>Profit / (Loss) for the year</b>       | <b>185.32</b>    | <b>1.06%</b>  | <b>331.94</b>    | <b>1.34%</b>  | <b>203.89</b>    | <b>1.05%</b>  | <b>126.19</b>    | <b>0.99%</b>  |

## COMPONENTS OF INCOME AND EXPENDITURE

### Key Components of Company's Profit and Loss Statement

**Revenue from operations:** Revenue from operations mainly consists of Sales of Jewellery.

**Other Income:** Other Income Consist of Interest Income, Subsidy Income, Scarp Sale, Net gain on foreign currency transaction and translation, Discount Received & Other Miscellaneous Income.

**Expenses:** Company's expenses consist of Cost of Material Consumed, Changes in Inventories of Finished Goods and Work In Progress, Depreciation and Amortization Expenses, Employee Benefit Expenses, Finance Cost & Other Expenses.

**Cost of Material Consumed:** Cost of Material Consumed consist of Opening Stock, Purchase of Raw Material, Direct Expenses & Closing Stock.

**Change in inventory of Stock in Trade:** Change in inventory of Stock in Trade consists of difference between opening & closing value of Stock.

**Employee Benefits Expense:** Employee benefit expenses include Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds, Gratuity Expenses, etc.

**Finance Cost:** Finance Cost includes Interest paid on borrowings & Bank Charges.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on WDV Basis as per the rates set forth in the Companies Act, 2013.

**Other Expenses:** Other expenses include Rent, Repair & Maintenance, Travelling & Conveyance etc.

### RATIONAL FOR PERIOD ENDED DECEMBER 31, 2024

#### *Revenue from Operations*

Revenue from operations for the period ended on December 31, 2024, amounting to ₹17,504.76 lakhs, representing 99.73% of the Total Income.

#### *Other Income*

Other Income consisting of foreign currency fluctuation gain of ₹ 42.40 lakhs, income from receipt of courier charges of ₹ 4.68 lakhs and interest income of ₹ 0.69 lakhs representing 0.27% of Total Income.

#### ***Cost of Material Consumed***

Cost of Material Consumed for the period ended on December 31, 2024, amounting to ₹16,716.08 lakhs, representing 95.23% of the Total Income.

#### ***Change in inventory of Stock in trade***

Inventory has decreased by ₹40.04 lakhs from ₹1,514.34 lakhs as at March 31, 2024, to ₹1,474.30 lakhs as at period ended December 31, 2024.

#### ***Employee Benefit Expenses***

Employee benefit expenses include Salaries and Wages of ₹204.91 lakhs, Managerial Remuneration of ₹66.56 lakhs, Staff Welfare Expenses of ₹27.13 lakhs & Gratuity expenses of ₹5.02 lakhs representing 1.17%, 0.38%, 0.15%, and 0.03% of Total Income respectively.

#### ***Finance Cost***

Finance Cost includes interest expenses and other borrowing costs amounting to ₹136.28 Lakhs represents 0.78% of Total Income.

#### ***Depreciation and Amortization Expenses***

Depreciation and amortization expenses is charged on WDV method amounting to ₹26.09 Lakhs represents 0.15% of Total Income.

#### ***Other Expenses***

Other expenses include courier charges of ₹14.92 Lakhs, power & fuel expenses of ₹13.11 Lakhs, travelling expenses of ₹5.77 Lakhs, ROC fees of ₹8.37 Lakhs, audit fees of ₹4.50 Lakhs, repairs & maintenance of ₹4.62 Lakhs, software maintenance charges of ₹4.53 Lakhs, etc. represents 0.45% of Total Income.

#### ***Tax Expenses***

The Company's total tax expenses for the period ended on December 31, 2024, amounting to ₹64.35 lakhs representing 0.37% of Total Income.

#### ***Profit After Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹185.32 lakhs for the period ended December 31, 2024 representing 1.06% of Total income.

### **Fiscal 2024 compared with Fiscal 2023**

#### ***Revenue from Operations***

Revenue from Operations in FY 2023-24 was ₹ 24,588.99 as compared to ₹ 19,418.14 in FY 2022-23 indicating a growth by 26.63%. The company is primarily engaged in the business of manufacturing and designing of wide range of wholesale Gold Jewelleries which includes plain gold, studded and named jewelleries available in 22karat and 18Karat. The revenue of the company is directly linked to prices of gold and market demand. During FY 2023-24, the prices of gold have been continuously increasing and so is the demand. The company also increased its utilization rate from 55% in FY 2022-23 to 63% in FY 2023-24 as well as started export operations for the first time in FY 2023-24 that generated additional revenue of ₹ 8,676.72 lakhs during the year. The company sold more units of different products during FY 2023-24 as compared to FY 2022-23. Product wise sales during FY 2023-24 and FY 2022-23 are summarized in the table below.

| Product Wise Sales |              | FY 2023-24         |                          |                 | FY 2022-23         |                          |                 |
|--------------------|--------------|--------------------|--------------------------|-----------------|--------------------|--------------------------|-----------------|
| Sr No.             | Product      | Units              | Amount<br>(Rs. In Lakhs) | % of<br>Revenue | Units              | Amount<br>(Rs. In Lakhs) | % of<br>Revenue |
| 1                  | Named        | 34,618.61          | 1,931.28                 | 7.85%           | 29,184.32          | 1,463.41                 | 7.54%           |
| 2                  | Plain        | 2,35,239.60        | 13,120.87                | 53.37%          | 2,20,864.43        | 11,075.57                | 57.04%          |
| 3                  | Studded      | 1,62,774.49        | 9,081.40                 | 36.93%          | 1,31,721.07        | 6,604.68                 | 34.01%          |
| 4                  | Others       | 6,726.39           | 455.44                   | 1.85%           | 3,000              | 274.48                   | 1.41%           |
|                    | <b>Total</b> | <b>4,39,359.09</b> | <b>24,588.99</b>         | <b>100.00%</b>  | <b>3,84,769.82</b> | <b>19,418.14</b>         | <b>100.00%</b>  |

### ***Other Income***

Other Income in FY 2023-24 amounts to ₹ 95.15 Lakhs the same was ₹ 6.64 lakhs in FY 2022-23. The company started export operations for the first time in FY 2023-24 which generated a revenue of ₹ 8,676.72 lakhs. The company booked gain on foreign currency transactions of ₹ 78.57 lakhs in FY 2023-24 which led to increase in other income.

### ***Cost of Material Consumed***

Cost of Material Consumed had increased by 17.42% from ₹ 20,044.59 lakhs in FY 2022-23 to ₹ 23,536.54 lakhs in FY 2023-24. This increase was due to increase in purchases during the year.

### ***Change in inventory of Stock in trade***

Inventory includes semi-finished and finished goods. During FY 2023-24, closing inventory was ₹ 1,514.34 lakhs and the same was 1,490.40 lakhs in FY 2022-23. However, opening inventory in FY 2023-24 was ₹ 1,490.40 lakhs and the same was ₹ 17.50 lakhs in FY 2022-23.

### ***Employee Benefit Expenses***

Employee benefit expenses has increased by 13.48% from ₹ 385.02 lakhs in FY 2022-23 to ₹ 436.93 lakhs in FY 2023-24. This increase was due to increase in salaries and wages and staff welfare expenses during FY 2023-24.

### ***Finance Cost***

Finance Cost has increased by 76.44 % from ₹ 90.94 lakhs in FY 2022-23 to ₹ 160.45 lakhs in FY 2023-24. Increase in interest expenses led to increase in finance cost.

### ***Depreciation and Amortization Expenses***

Depreciation has increased by 32.53% from ₹ 24.10 lakhs in FY 2022-23 to ₹ 31.94 lakhs in FY 2023-24. The company charges depreciation on WDV basis. Depreciation increased as the company made additions to their fixed assets during FY 2023-24.

### ***Other Expenses***

Other expenses have increased by 48.20% from ₹ 67.35 lakhs in FY 2022-23 to ₹ 99.81 lakhs in FY 2023-24.

### ***Tax Expenses***

The Company's total tax expenses increased from ₹81.79 lakhs in FY 2022-23 to ₹110.45 lakhs in FY 2023-24, driven by higher Profit Before Tax. Despite the increase in absolute tax expense, the effective tax rate declined from 28.63% to 24.97% during the same period, as the Company opted for the concessional tax regime under Section 115BAA of the Income Tax Act, 1961, which offers a lower corporate tax rate compared to the previous fiscal year.

### ***Profit After Tax***

As a result of the foregoing factors, Profit After Tax in FY 2023-24 was ₹ 331.94 lakhs as compared to ₹ 203.89 lakhs in FY 2022-23.

## **Fiscal 2023 compared with Fiscal 2022**

### ***Revenue from Operation***

Revenue from Operations in FY 2022-23 was ₹ 19,418.14 as compared to ₹ 12,739.10 in FY 2021-22 indicating a growth by 52.43%. The revenue of the company is directly linked to prices of gold and market demand. During FY 2022-23, the economy had reopened post covid -19 which drove the demand for the company's products. The company sold more units of different products during FY 2022-23 as compared to FY 2021-22. Product wise sales during FY 2022-23 and FY 2021-22 are summarized in the table below.

| <b>Product Wise Sales</b> |                | <b>FY 2022-23</b>  |                                  |                         | <b>FY 2021-22</b>  |                                  |                         |
|---------------------------|----------------|--------------------|----------------------------------|-------------------------|--------------------|----------------------------------|-------------------------|
| <b>Sr No.</b>             | <b>Product</b> | <b>Units</b>       | <b>Amount<br/>(Rs. In Lakhs)</b> | <b>% of<br/>Revenue</b> | <b>Units</b>       | <b>Amount<br/>(Rs. In Lakhs)</b> | <b>% of<br/>Revenue</b> |
| 1                         | Named          | 29,184.32          | 1,463.41                         | 7.54%                   | -                  | -                                | -                       |
| 2                         | Plain          | 2,20,864.43        | 11,075.57                        | 57.04%                  | 1,45,795.63        | 6,718.95                         | 52.74%                  |
| 3                         | Studded        | 1,31,721.07        | 6,604.68                         | 34.01%                  | 1,27,353.91        | 5,869.00                         | 46.07%                  |
| 4                         | Others         | 3,000.00           | 274.48                           | 1.41%                   | 1,316.30           | 151.15                           | 1.19 %                  |
|                           | <b>Total</b>   | <b>3,84,769.82</b> | <b>19418.14</b>                  | <b>100%</b>             | <b>2,74,465.84</b> | <b>12,739.1</b>                  | <b>100%</b>             |

### ***Other Income***

Other Income in FY 2022-23 amounted to ₹ 6.64 lakhs the same was ₹ 0.58 lakhs in FY 2021-22. Increase in other income was due to increase in interest income and scrap sale during FY 2022-23.

### ***Cost of Material Consumed***

Cost of Material Consumed had increased by 62.92 % from ₹ 12,303.56 lakhs in FY 2021-22 to ₹ 20,044.59 lakhs in FY 2022-23. This increase was due to increase in purchases during the year.

### ***Change in inventory of Stock in trade***

Inventory includes Work in Progress and Finished Goods. During FY 2022-23, closing inventory was ₹ 1,490.40 lakhs and the same was 17.50 lakhs in FY 2021-22. However, opening inventory in FY 2021-22 was Nil and the same was ₹ 17.50 lakhs in FY 2022-23.

### ***Employee Benefit Expenses***

Employee benefit expenses has increased by 112.35% from ₹ 181.31 lakhs in FY 2021-22 to ₹ 385.02 lakhs in FY 2022-23. This increase was due to increase in salaries and wages, Managerial remuneration during FY 2022-23.

### ***Finance Cost***

Finance Cost has increased by 178.96 % from ₹ 32.60 lakhs in FY 2021-22 to ₹ 90.94 lakhs in FY 2022-23. This increase was primarily due to increase in Interest on borrowings during the year.

### ***Depreciation and Amortization Expenses***

Depreciation has increased by 241.36% from ₹ 7.06 lakhs in FY 2021-22 to ₹ 24.10 lakhs in FY 2022-23. The company charges depreciation on WDV basis. During FY 2022-23, the company made additions in their fixed assets which lead to increase in depreciation during the year.

### ***Other Expenses***

Other expenses have increased by 16.60 % from ₹ 57.76 lakhs in FY 2021-22 to ₹ 67.35 lakhs in FY 2022-23.

### ***Tax Expenses***



The Company's total tax expenses have increased from ₹ 48.70 lakhs in FY 2021-22 to ₹ 81.79 lakhs in FY 2022-23. Increase in profits have attracted more tax liability during FY 2022-23.

### ***Profit After Tax***

As a result of the foregoing factors, Profit After Tax in FY 2022-23 was ₹ 203.89 lakhs as compared to ₹ 126.19 lakhs in FY 2021-22.

### **Cash Flows**

(₹ in Lakhs)

| Particulars                        | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------------------------|-------------------|----------------|----------------|----------------|
| Net Cash from Operating Activities | 603.92            | 552.03         | (1,563.98)     | (397.43)       |
| Net Cash from Investing Activities | (1.83)            | (66.94)        | (252.08)       | (12.91)        |
| Net Cash from Financing Activities | (541.95)          | (372.76)       | 1,870.90       | 386.48         |

### **Cash Flows from Operating Activities:**

#### **For the period ended December 31, 2024**

Our net cash generated from operating activities was ₹ 603.92 lakhs for the period ended December 31, 2024. Our operating profit before working capital changes was ₹ 419.80 lakhs for the period ended December 31, 2024 which was primarily adjusted against income tax of ₹ (72.09) lakhs, decrease in trade receivables ₹ 207.93 lakhs, decrease in inventory by ₹ 96.62 lakhs, increase in Short term loans and advances by ₹ (21.02) lakhs, increase in other current assets ₹ (3.41) lakhs, decrease in trade payables ₹ (27.58) lakhs and increase in other current liabilities by ₹ 22.71 lakhs.

#### **For the financial year ended March 31, 2024**

Our net cash generated from operating activities was ₹ 552.03 lakhs for the financial year ended March 31, 2024. Our operating profit before working capital changes was ₹ 631.85 lakhs for the financial year ended March 31, 2024 which was primarily adjusted against income tax of ₹ (80.07) lakhs, decrease in trade receivables ₹ 150.52 lakhs, increase in inventory by ₹ (32.74) lakhs, increase in Short term loans and advances by ₹ (28.87) lakhs, increase in other current assets ₹ (7.26) lakhs, decrease in trade payables ₹ (89.71) lakhs and increase in other current liabilities by ₹ 8.31 lakhs.

#### **For the financial year ended March 31, 2023**

Our net cash used from operating activities was ₹ (1,563.98) lakhs for the financial year ended March 31, 2023. Our operating profit before working capital changes was ₹ 407.23 Lakhs for the financial year ended March 31, 2023 which was primarily adjusted against income tax of ₹ (86.36) lakhs, increase in trade receivables ₹ (10.90) lakhs, increase in inventories ₹ (1,635.29) lakhs, increase in short term loans and advances and other current assets by ₹ (25.81) lakhs and ₹ (1.37) lakhs respectively, decrease in trade payables ₹ (148.00) Lakhs and decrease in other current liabilities by ₹ (63.48) lakhs.

#### **For the financial year ended March 31, 2022**

Our net cash used from operating activities was ₹ (397.43) lakhs for the financial year ended March 31, 2022. Our operating profit before working capital changes was ₹ 220.15 Lakhs for the financial year ended March 31, 2022 which was primarily adjusted against income tax of ₹ (10.08) Lakhs, increase in trade receivables ₹ (1,395.66) lakhs, decrease in inventories by ₹ 670.72 lakhs, increase in short term loans & advances ₹ (38.66) lakhs, decrease in other current assets ₹ 114.97 lakhs, increase in trade payables by ₹ 47.86 lakhs and decrease in other current liabilities by ₹ (6.73) lakhs.

### **Cash Flows from Investment Activities:**

#### **For the period ended December 31, 2024**

Our net cash flow from investing activities was ₹ (1.83) lakhs. This was mainly on account of Purchase of fixed assets of ₹ (13.81) lakhs, sale of fixed assets of ₹ 11.29 lakhs and the company received interest income of ₹ 0.69 lakhs.

#### **For the financial year ended March 31, 2024**

Our net cash flow from investing activities was ₹ (66.94) lakhs. This was mainly on account of Purchase of fixed assets during the year of ₹ (76.35) lakhs and the company received interest income of ₹ 9.41 lakhs.

**For the financial year ended March 31, 2023**

Our net cash flow from investing activities was ₹ (252.08) lakhs. This was mainly on account of Purchase of fixed assets of ₹ (252.52) lakhs and the company received interest income of ₹ 0.44 lakhs.

**For the financial year ended March 31, 2022**

Our net cash flow from investing activities was ₹ (12.91) lakhs. This was mainly on account of Purchase of fixed assets of ₹ (12.91) lakhs.

**Cash Flows from Financing Activities:****For the period ended December 31, 2024**

Our net cash flow from financing activities was ₹ (541.95) lakhs. This was on account of proceeds of long-term and short-term borrowings of ₹ 160.26 lakhs and ₹ 953.99 lakhs respectively, repayment of short-term borrowings of ₹ (1,400.12) lakhs, repayment of long-term borrowings ₹ (121.03) lakhs and interest paid ₹ (136.28) lakhs.

**For the financial year ended March 31, 2024**

Our net cash flow from financing activities was ₹ (372.76) lakhs. This was on account of proceeds from issue of share capital amounting to ₹ 160.51 lakhs, proceeds of long-term and short-term borrowings of ₹ 3.00 lakhs and ₹ 1,451.77 lakhs respectively, repayment of short-term borrowings of ₹ (1,806.46) lakhs, repayment of long-term borrowings ₹ (23.41) lakhs and interest paid ₹ (160.45) lakhs.

**For the financial year ended March 31, 2023**

Our net cash flow from financing activities was ₹ 1,870.90 lakhs. This was on account of proceeds of long term and short-term borrowings of ₹ 175.02 lakhs and ₹ 2,113.28 lakhs respectively, repayment of long-term borrowings of ₹ (33.58) lakhs, repayment of short-term borrowings of ₹ (291.92) lakhs and interest paid of ₹ (90.94) lakhs.

**For the financial year ended March 31, 2022**

Our net cash flow from financing activities was ₹ 386.48 lakhs. This was on account of proceeds from short-term borrowings of ₹ 476.07 lakhs, repayment of short-term borrowings of ₹ (54.02) lakhs and interest paid of ₹ (32.60) lakhs.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter, Group Company, Key Managerial Persons (KMPs) or Senior Managerial Persons (SMPs); (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Company; (iii) outstanding claims involving our Company, Directors, Promoter or Group Company for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Company or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, Group Company, KMPs or SMPs as the case may be shall be deemed to be material;
- b) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:
  - i. two percent of turnover, as per the latest annual restated financial statements of the issuer i.e. ₹ 491.78 Lakhs i.e. as on March 31, 2024;
  - ii. two percent of net worth, as per the latest annual restated financial statements of the issuer (Not to be considered if the arithmetic value of the net worth is negative), i.e. ₹ 24.09 Lakhs i.e. as on March 31, 2024;
  - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer i.e. ₹ 11.03 Lakhs i.e. as on March 31, 2024.”In our case we have taken the value of criteria (iii) being the lowest has been considered for the purpose of materiality.
- c) Any pending litigation / arbitration proceedings involving the Relevant Parties wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (b) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company or where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, Group Company, KMPs or SMPs whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at <https://ajcjewel.com/>
- d) Notices received by our Company, Promoter, Directors, Group Company, KMPs or SMPs as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Company/ KMPs/ SMPs, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

### **OUTSTANDING LITIGATIONS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER, KMPs, SMPs AND GROUP COMPANY:**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

**A. FILED AGAINST OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

**AJC Jewel Manufactures Limited Represented by its Managing Director Ashraf P. (hereinafter referred to as the petitioner) V/S. Ayooob (Hereinafter referred to as the Defendant)**

***Case No. OS/200049/2025, Filed And Pending Before The Sub Court /Assistant Sessions Court , Manjeri Under The Provision Of Section 26 Order VII Rule 1 Of The Code Of Civil Procedure.***

The Petitioner herein claims to have sold goods to the defendant herein, on running account basis against which an amount of ₹ 31,35,000/- allegedly stood overdue from the defendant as on December 2024. In discharge of the said liability, the defendant is said to have issued a cheque bearing no. 116652 dated February 27, 2025 drawn on the Union Bank of India, Kottakkai Branch, which upon presentation with the bank, returned dishonoured on February 28, 2025 with remarks "Funds insufficient". Aggrieved by this, the plaintiff filed the instant petition claiming recovery

of the aforementioned amount of ₹ 31,35,000/- along with interest @ 12% p.a. with the concerned court and the same is pending.

## **PART 2: LITIGATION RELATING TO OUR PROMOTERS, DIRECTORS, KMPs AND SMPs OF THE COMPANY**

### **A. LITIGATION AGAINST OUR PROMOTER, DIRECTORS, KMPs AND SMPs**

#### **1) Litigation involving Criminal Laws**

NIL

#### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3) Disciplinary Actions by Authorities**

NIL

#### **4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

#### **5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

### **B. LITIGATION FILED BY OUR PROMOTER, DIRECTORS, KMPs AND SMPs**

#### **1) Litigation involving Criminal Laws**

**Mr. Ashraf Perinkadakkad (Promoter cum Managing Director)**

**Ashraf P. V/S. Abdul Sathar Moideen, Managing Director Of Star Commercial Innovations Pvt. Ltd.**  
*Case No. St.2712/2023, Filed And Pending Before The Hon'ble Judicial First Class Magistrate Court, Malappuram Under The Provisions Of Section 138 Of The Negotiable Instrument Act, 1881*

In the matter, Ashraf, aged 36, resident of Perinkadakkadu House, Iringalloor P.O., Malappuram District, has filed a complaint under Section 138 of the Negotiable Instruments Act against Abdul Sathar Moideen, Managing Director of Star Commercial Innovations Pvt. Ltd. The complainant, engaged in the wholesale of gold ornaments, had supplied gold worth ₹ 54,098 to the accused, who made part payments and issued a cheque for the part payments and is engaged in the wholesale of gold ornaments the cheque was dishonored on August 23, 2023 due to insufficient funds. Despite repeated demands and a legal notice served on September 11, 2023, the accused failed to settle the amount, leading to this complaint. The complainant seeks the court to direct the accused to pay the due amount and compensation under Section 357 of the CrPC, as well as to initiate legal action under Section 138 of the Negotiable Instruments Act and Section 420 of the IPC for cheating. The case falls within the jurisdiction of this court as the complainant's bank is located in Malappuram.

#### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax: NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANY**

**A. LITIGATION AGAINST OUR GROUP COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax: NIL**

**Direct Tax: NIL**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS, DIRECTORS, GROUP COMPANY, PROMOTOR GROUP MEMBERS, KMPs AND SMPs DURING THE LAST 5 FINANCIAL YEARS:**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Company during the last 5 financial years including outstanding actions except as disclosed above.

**PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS:**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus.

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY:**

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

**PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES:**

There are no proceedings initiated against our Company for any economic offences.

**NON-PAYMENT OF STATUTORY DUES:**

As on the date of the Draft Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

**MATERIAL FRAUDS AGAINST OUR COMPANY:**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Red Herring Prospectus.

**DISCLOSURES PERTAINING TO WILFUL DEFAULTERS:**

Neither our Company, nor our Promoters, nor Group Company and nor Directors have been categorized or identified as wilful defaulters 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.

**DISCLOSURES PERTAINING TO FRAUDULENT BORROWER:**

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

**MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page no. 273 there have been no material developments that have occurred after the Last Balance Sheet Date.

**OUTSTANDING DUES TO CREDITORS:**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on December 31, 2024:

(₹ in Lakhs)

| Name  | Balance as on December 31, 2024 |
|---|---------------------------------|
| Total Outstanding dues to Micro, Small & Medium Enterprises.                      | 9.76                            |
| Total Outstanding dues to Creditors other than Micro, Small & Medium Enterprises. | 13.14                           |



## **GOVERNMENT AND OTHER APPROVALS**

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Red Herring Prospectus and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated **March 23, 2018** from the Deputy Registrar of Companies, For and on behalf of the Jurisdictional Registrar of Companies, Central Registration Centre, under the Companies Act, 2013 as **"PHEONIX GOLD CASTINGS PRIVATE LIMITED"** (Corporate Identification Number - U93090KL2018PTC052621)
2. Fresh Certificate of Incorporation dated **May 14, 2020** from the Registrar of Companies - Ernakulam, consequent to Change of the name of the Company from **PHEONIX GOLD CASTINGS PRIVATE LIMITED** 'to **"AJC JEWEL MANUFACTURERS PRIVATE LIMITED"** (Corporate Identification No. - U93090KL2018PTC052621).
3. Fresh Certificate of Incorporation dated September 24, 2024 from the Centralised Processing Centre, consequent to conversion of the Company **'AJC JEWEL MANUFACTURERS PRIVATE LIMITED'** to **"AJC JEWEL MANUFACTURERS LIMITED"** (Corporate Identification Number -U93090KL2018PLC052621).

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on September 24, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) ( c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated September 25, 2024 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated May 07, 2025, [●] and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively with BSE SME.

#### ***Approvals from Stock Exchange***

1. Our Company has received in- principle listing approval from the BSE SME dated [●] for listing of Equity Shares issued pursuant to the issue.
2. Company ISIN-INE0XRR01010

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated June 13, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated July 24, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Service Private Limited, for the dematerialization of its shares.

## APPROVALS/LICENSES/PERMISSIONS IN RELATION TO OUR BUSINESS

### Tax Related Approvals

| S. No | Description                           | Address of Place of Business/Premises   | Registration Number | Issuing Authority                 | Date of issue  | Date of Expiry       |
|-------|---------------------------------------|---|---------------------|-----------------------------------|--|----------------------|
| 1.    | Permanent Account Number (PAN)        | M/s. AJC Jewel Manufacturers Limited,   | AAJCP7687C          | Income Tax Department             | March 23, 2018   | Valid till Cancelled |
| 2.    | Tax Deduction Account Number (TAN)    | M/s. AJC Jewel Manufacturers Limited  | CHNP05887A          | Income Tax Department             | May 06, 2025   | Valid till Cancelled |
| 3.    | GST Registration Certificate (Kerala) | M/s. AJC Jewel Manufacturers Limited,<br><br>38/227-Z, Inkel Greens Edu City, Karathode-Konamppara Road, Panakkad Village, Malappuram, Kerala, 676519 | 32AAJCP7687C1Z8     | Goods And Services Tax Department | Effective from September 27, 2018<br><br>Latest certificate dated October 18, 2024 | Valid till Cancelled |

### Registrations related to Labour Laws

| S. No. | Description  | Address  | License Number    | Issuing Authority                      | Date of Issue     | Date of Expiry       |
|--------|--|--|-------------------|--|-------------------|----------------------|
| 1.     | Registration under the Employees Provident fund (EPF)  | M/s Pheonix Gold Castings Private Limited*<br><br>38/227-Z Inkel Greens Edu City Panakkad Village Malappuram Kerala – 676519<br><br><i>*Application has been filed for change of name from Pheonix Gold Castings Private Limited to AJC Jewel Manufacturers Limited vide application no. IR03877737 dated April 10, 2025</i> | KRKKD2075062000   | Employees' Provident Fund Organization | February 25, 2020 | Valid till Cancelled |
| 2.     | Registration under Employees State Insurance Act, 1948 | M/s. Pheonix Gold Castings Private Limited<br>38/227-z, Inkel Greens Edu City Panakkad Village, 676519   | 72000339210001099 | Employees' State Insurance Corporation | February 25, 2020 | Valid till Cancelled |

|   |                 |  |                     |  |                   |                   |
|---|-----------------|--|---------------------|--|-------------------|-------------------|
|   |                 | <i>*Application has been filed for change of name from Pheonix Gold Castings Private Limited to AJC Jewel Manufacturers Limited vide letter dated April 22, 2025</i> |                     |  |                   |                   |
| 3 | Factory License | M/s. AJC Jewel Manufacturers Private Limited,<br><br>38/227-Z, Inkel Greens Edu City, Karathode – Konamppara Road ,Panakkad Village , Malappuram,Kerala - 676519     | D15/MLP/08/552/2025 | Government of Kerala (Department of Factories and Boilers) | February 27, 2025 | December 31, 2025 |



#### ***Business Related Approvals***

| S. No. | Description  | Address of Premises   | Registration Number                          | Issuing Authority  | Date of issue             | Date of Expiry       |
|--------|--|---|--|--|---------------------------|----------------------|
| 1.     | LEI  | M/s. AJC Jewel Manufacturers Limited,<br><br>38/227-Z, Inkel Green Edu City, Karathode Konamppara Road,Panakkad Village, Malappuram Kerala, 676519  | 9845003ECE43DTD0E871                         | Legal Entity Identifier India Limited                                  | March 18, 2022            | March 18, 2026       |
| 2.     | Import Export Code (IEC)   | M/s. AJC Jewel Manufacturers Limited, 38/227-Z , Inkel Greens Edu City , Karathode – Konampara Road , Panakkad Village , Pattarkadavu , Ernad , Malappuram, Malappuram , Kerala , 676519.       | AAJCP7687C                                   | Ministry of Commerce and Industry Directorate General of Foreign Trade | January 09, 2020          | Valid till Cancelled |
| 3.     | BIS Certification (for hallmarking)-1417:2016 (Gold Jewellery and Artefacts) | M/s. AJC Jewel Manufacturers Private Limited ,<br><br>38/227-Z,Inkel Green Edu City,Karathode Konamppara Road,Panakkad Village, Malappuram Kerala, 676519                                       | HM/C-6490290222                              | Bureau Of Indian Standards Head Branch Kobo                            | June 30, 2021             | Valid till Cancelled |
| 4.     | Pollution Control Clearance  | M/s. AJC Jewel Manufacturers Private Limited,*<br>Inkel Edu City, Panakkad Village, Malappuram<br><br>*Application filed for change of name from AJC Jewel Manufacturers Private Limited to AJC | Consent Number. : KSPCB/MA/ICO/10075039/2024 | Kerala State Pollution Control Board                                   | Renewed on March 07, 2025 | January 20, 2029     |

|    |   |  |  |  |                  |                      |
|----|---|--|--|--|------------------|----------------------|
|    |   | Jewel Manufacturer Limited vide Receipt no. 6216296539 dated April 19, 2025  |  |  |                  |                      |
| 5. | Membership of Export Promotion Council    | M/s. AJC Jewel Manufacturers Limited, 38/227-Z, Inkel Greens Edu City Karathode – Konampara RD , Ernad Panakkad Village , Pattarkadavu Malappuram:676519                   | Membership Number - GJEPC/RO-CHE/7000066806/AM/VI  | Gem and Jewellery Export Promotion Council (GJEPC) | April , 2025     | March, 2026          |
| 6. | Registration Cum – Membership Certificate | M/s. AJC Jewel Manufacturers Limited, 38/227-Z, Inkel Greens Edu City Karathode-Konampara Road,Panakkad Village,Pattarkadavu,Erna d Malappuram, 676519, Malappuram, Kerala | RCMC/GJEPC/00706/2022-2023   | Gem and Jewellery Export Promotion Council (GJEPC) | April 07, 2025   | March 31, 2027       |
| 7. | Weight and Measurement License            | M/s. AJC Jewel Manufacturers Private Limited,  | Last Verification Certificate No: 1329/2024<br>New Verification Certificate No.1862/2025 | Legal Metrology Division                           | March 08, 2025   | March 08, 2026       |
| 8. | UDYAM Registration Certificate            | M/s. AJC Jewel Manufacturers Limited, 38/227-Z, Inkel Greens edu City,Panakkad Village, Karathode-Konnamppara Road, Malappuram, Kerala-676519                              | UDYAM-KL-09-0002510  | Ministry of Micro, Small and Medium Enterprise     | January 02, 2021 | Valid till Cancelled |

## INTELLECTUALPROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

| S. No | Brand Name/Logo Trademark   | Class | Application number | Owner   | Authority  | Date of Application | Current Status         |
|-------|---|-------|--------------------|---|--|---------------------|------------------------|
| 1.    | Device “AJC Jewel”<br> | 14    | 6516066            | M/s. AJC Jewel Manufacturers Private Limited, | Trade Mark registry Intellectual Property India, Chennai | July 08, 2024       | Formalities Check Pass |
| 2.    | Device “AJC Jewel”<br> | 35    | 6516065            | M/s. AJC Jewel Manufacturers Private Limited, | Trade Mark registry Intellectual Property India, Chennai | July 08, 2024       | Formalities Check Pass |

## DOMIAN NAME

| S. No | Domain Name and ID | Sponsoring Registrar and ID | Registrant Name, ID and Address | Creation Date | Registry Expiry Date |
|-------|--------------------|-----------------------------|---------------------------------|---------------|----------------------|
|-------|--------------------|-----------------------------|---------------------------------|---------------|----------------------|

|    |              |   |  |                  |                  |
|----|--------------|---|--|------------------|------------------|
| 1. | ajcjewel.com | Registry Domain ID:<br>2703706062_DOMAIN_COM-<br>VRSN | Registrar:<br>GoDaddy.com, LLC<br>Registrar IANA ID: 146 | June 14,<br>2022 | June 14,<br>2034 |
|----|--------------|---|--|------------------|------------------|

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company from Pheonix Gold Castings Private Limited to AJC Jewel Manufacturers Private Limited and subsequent change of its constitution from Private Limited to Public Limited.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have vide resolution dated September 24, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on September 25, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013 at shorter notice.

Our Board of Directors have vide resolution dated April 15, 2025 for authorization on Issue Size and resolution of the Board of Directors dated [●], in relation to the authorization on Issue Structure.

Our Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the BSE SME. BSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

As per Regulation 228 of the SEBI ICDR Regulation, 2018 as amended thereto, our Company satisfies the following eligibility conditions on which the specified securities are proposed to be listed:

- a) Our Company, Promoters, Directors, members of our Promoter Group, the persons in control of our Promoters or our Company, as applicable, are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- b) Our Directors and Promoters are not directors or promoters of any other company which has been debarred from accessing the capital markets by SEBI.
- c) Our Company, Promoters, Promoter Group and Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.
- d) Our Promoters or Directors have not been declared as Fugitive Economic Offenders under section 12 of the Fugitive Economic Offenders Act, 2018.
- e) There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. However, the Company had filed the Draft Red Herring Prospectus on September 30, 2024 on BSE SME platform which was withdrawn due to change in the objects of the Issue pursuant to withdrawal letter dated February 14, 2025.

All the Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market in any manner including securities market related business. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Promoters and members of our Promoter Group, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to each of them as on the date of this Draft Red Herring Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value does not exceed ₹ 10 crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

Further, as per Regulation 229 of the SEBI ICDR Regulation, 2018 and as amended and eligibility conditions of BSE SME, our Company satisfies track record to get its specified securities listed.

- Our Company was incorporated under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on March 23, 2018 issued by the Deputy Registrar of Companies, For and on behalf of the Jurisdictional Registrar of Companies, Central Registration Centre as a Private Limited Company. Hence, our Company is in existence for a period of 7 years on the date of filing of this Draft Red Herring Prospectus with BSE.
- As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹ 444.84 Lakhs comprising 44,48,360 Equity Shares of ₹10/- each and the Post Issue paid-up Capital (face value) will be ₹ [●] Lakhs comprising [●] Equity Shares which shall be below ₹ 25 crores.
- The Company has a track record of at least 3 years as on the date of filing Draft Red Herring Prospectus.
- Based on the Restated Financial Statements, Company's net worth for the stub period ended December 31, 2024 and for the 3 preceding financial years preceding the application date is given below and it has Net worth of at least Rs. 1 crore for 2 preceding full financial years:

(₹ in Lakhs)

| Particulars   | December 31, 2024 | FY March 31, 2024 | FY March 31, 2023 | FY March 31, 2022 |
|---|-------------------|-------------------|-------------------|-------------------|
| Paid-up Share Capital   | 444.84            | 444.84            | 284.32            | 284.32            |
| Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account | 944.90            | 759.58            | 427.64            | 223.75            |
| <b>Net worth</b>  | <b>1,389.74</b>   | <b>1,204.42</b>   | <b>711.96</b>     | <b>508.07</b>     |

- Based on the Restated Financial Statements, Company's Net Tangible Assets as on the period ended December 31, 2024 and for the full financial year ended March 31, 2024 was more than Rs. 3 Crores and the working is given below

(₹ in Lakhs)

| Particulars                | December 31, 2024 | FY March 31, 2024 |
|----------------------------|-------------------|-------------------|
| Net Worth                  | 1,389.74          | 1,204.42          |
| Less: Intangible Assets    | 9.85              | 10.83             |
| <b>Net Tangible Assets</b> | <b>1,379.89</b>   | <b>1,193.59</b>   |

- The Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹ 1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements.

(₹ in Lakhs)

| Particulars                                 | December 31, 2024 | FY March 31, 2024 | FY March 31, 2023 | FY March 31, 2022 |
|---|-------------------|-------------------|-------------------|-------------------|
| <b>Profit Before Tax</b>                    | <b>249.67</b>     | <b>442.39</b>     | <b>285.68</b>     | <b>174.89</b>     |
| Add: Finance Cost                           | 136.28            | 160.45            | 90.94             | 32.60             |
| Add: Depreciation and Amortization expenses | 26.09             | 31.94             | 24.10             | 7.06              |
| Less: Other Income                          | 47.97             | 95.15             | 6.64              | 0.58              |
| <b>EBIDTA</b>                               | <b>364.07</b>     | <b>539.63</b>     | <b>394.08</b>     | <b>213.97</b>     |

- The Leverage ratio (Total Debts to Equity) of the Company as on December 31, 2024 was 1.32:1 which is less than the limit of 3:1. The working is given below:

(₹ in Lakhs, otherwise mentioned)

| Particulars           | December 31, 2024 |
|-----------------------|-------------------|
| Long Term borrowings  | 160.26            |
| Short Term borrowings | 1,681.14          |

|   |                 |
|---|-----------------|
| <b>Total Debt (A)</b>   | <b>1,841.40</b> |
| Paid up share Capital   | 444.84          |
| Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account | 944.90          |
| <b>Net worth (B)</b>  | <b>1,389.74</b> |
| <b>Debt-Equity Ratio (A / B)</b>  | <b>1.32</b>     |

- In case of the Company, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document: **Not Applicable**
- In cases where there is a complete change of promoter of the Company or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s): **Not Applicable**
- There has been no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals. None of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange. Accordingly, there is no applicability of compulsory delisting is attracted and none of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of companies that are suspended from trading on account of non-compliance. Further, none of our directors are disqualified/ debarred by any of the Regulatory Authority.
- There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company, promoters/ promoting company(ies), Subsidiary Companies.
- In case of name change within the last one year, at least 50% of the revenue calculated on a restated basis for the preceding 1 full financial year has been earned by our Company from the activity indicated by our new name: **Not Applicable**
- **Other Disclosures:**
  - a. We have a functional website: <https://ajcjewel.com/>
  - b. 100% of Equity Shares held by the Promoters are in dematerialised form.
  - c. Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
  - d. There has been no change in the Promoter(s) of our Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
  - e. The composition of the board our company is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval;
  - f. The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.
  - g. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
  - h. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
  - i. There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
  - j. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 230 (1) of the SEBI ICDR Regulation, 2018 as amended thereto, our Company has ensured that:



- a) The Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME. BSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement dated July 24, 2024 with NSDL and agreement dated June 13, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- c) The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d) The entire Equity Shares held by the Promoters are in dematerialized form.
- e) The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement 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 as required under the SEBI ICDR Regulations. For details, please refer the chapter “*Objects of the Issue*” on page 107 of this Draft Red Herring Prospectus.
- f) The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total issue size: **Not Applicable**
- g) The shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders’ pre-issue shareholding on a fully diluted basis: **Not Applicable**
- (h) Our one of the objects of the issue is repayment/prepayment of all or certain of our borrowings availed of by our Company, however, we hereby confirm that the repayment/prepayment shall not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

**We further confirm that:**

1. In accordance with Regulation 245 (1) and (2) of the SEBI ICDR Regulation, 2018 and as amended, the offer documents shall contain the following:
  - a. All material disclosures which are true and adequate so as to enable the applicants to take an informed investment decision;
  - b. Disclosures specified in the Companies Act, 2013;
  - c. Disclosures specified in **Part A of Schedule VI**;
  - d. Details pertaining to Employees’ Provident Fund and Employee State Insurance Corporation;
  - e. Fees of Book Running Lead Manager.
2. In accordance with Regulation 246 the SEBI ICDR Regulations, 2018 and as amended, the book running lead manager shall ensure that the issuer shall file copy of the Red Herring Prospectus with SEBI along with relevant documents as required at the time of filing the Red Herring Prospectus to SEBI.
3. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue has been one hundred percent (100%) underwritten and that the Book Running Lead Manager to the issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see “*General Information*” beginning on page 81 of this Draft Red Herring Prospectus.
4. In accordance with Regulation 268 of the SEBI ICDR Regulations and as amended thereto, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to two hundred (200), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, and amendments thereto, the Companies Act 2013 and applicable laws.

**COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS AND AMENDMENTS THERETO**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations and amendments thereto. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SMART HORIZON CAPITAL ADVISORS PRIVATE LIMITED SHALL FURNISH TO BSE, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER FORM A OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 READ WITH SEBI ICDR AMENDMENT REGULATIONS, 2025.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

**Note:** All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

#### **DISCLAIMER FROM OUR COMPANY, THE DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made in relation the Company or the Issue other than confirmed itself or its issued shares in this Draft Red Herring Prospectus 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, <https://ajcjewel.com/>, or the respective websites of the members of our Promoter, Promoter Group or our Subsidiaries, or any of the Group Companies, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centers or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, partners, 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, allot, 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, Underwriters and their respective directors, partners, 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.

The Book Running Lead Manager and their respective associates and affiliates in their capacity as principals or agents, may engage in transactions with and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Malappuram, Kerala only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

#### **Eligibility and Transfer Restrictions**

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.**

#### **Restrictions on Transfers**

Each purchaser that is acquiring the Equity Shares issued pursuant to this Issue outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares issued pursuant to this Issue, will be deemed to have acknowledged, represented to and agreed with the Company that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (a) the purchaser acknowledges that the Equity Shares issued pursuant to this Issue have not been and will not be registered under the U.S. Securities Act or with any securities' regulatory authority of any state of the United States and accordingly may not be issued, sold, resold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (b) the purchaser is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
- (c) the purchaser is purchasing the Equity Shares issued pursuant to this Issue in an "offshore transaction" meeting the requirements of Regulation S under the U.S. Securities Act;
- (d) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares issued pursuant to this Issue, was located outside the United States at the time (i) the issue for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
- (e) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (f) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
- (g) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;
- (h) the purchaser understands and acknowledges that the company will not recognize any issue, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above stated restrictions; and
- (i) the purchaser acknowledges that the Company, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

## **LISTING**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the SME platform of BSE (BSE SME). Application have been made to the SME platform of BSE (BSE SME) for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its BSE SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Red Herring Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Issue Closing Date or such other time period as may be prescribed by SEBI. If our Company does not Allot Equity Shares pursuant to the Issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at a rate of 15% per annum for the delayed period or such other rate as may be prescribed by SEBI.

## **CONSENTS**

Consents in writing of the Promoters, our Directors, our Company Secretary and Compliance Officer, legal advisor to the Issue, the Book Running Lead Manager, the Bankers to our Company, Statutory Auditors, Chartered Engineer, Practicing

Company Secretary, Peer Review Auditors, Market Maker, Underwriter and the Registrar to the Issue to act in their respective capacities, have been obtained and consents in writing of the Syndicate Members<sup>(1)</sup>, Bankers to the Issue<sup>(1)</sup> (Escrow Collection Bank, Public Issue Account Bank, Sponsor Bank and Refund Bank), to act in their respective capacities, will be obtained, and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for filing with the RoC.

<sup>(1)</sup> The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.

## **EXPERT TO THE ISSUE**

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received a written consent dated April 02, 2025 from our Peer Reviewed Auditor, namely, M/s. Vinay Bhushan & Associates, Chartered Accountants, who hold a valid peer review certificate from ICAI, to include their name in respect of the reports on the Restated Financial Statement dated April 15, 2025 and the Statement of Possible Tax Benefits dated April 15, 2025 issued by them and included in this Draft Red Herring Prospectus as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Further, our Company has received written consent dated January 17, 2025, from M/s. Peak Builders & Consultants, Independent Chartered Engineer, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certification required for Capacity Utilization report dated January 17, 2025, certifying, inter alia, installed and actual capacity and list of plant and machinery..

Further, Our Company has also received written consent dated April 22, 2025 from the Practicing Company Secretary, namely Gopimohan Satheesan & Associates LLP, Practicing Company Secretary, to include their name in this Draft Red Herring Prospectus, as an “expert” as defined under section 2(38) and section 26(5) of the Companies Act, 2013 to the extent and in his capacity as a practicing company secretary in respect of their certificate dated April 22, 2025 for the ROC Search obtained from MCA and providing the list of delays/ non-filing/ non-compliance of the forms filed with ROC as applicable to us and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS**

Our Company has not made any public issue (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed in “Capital Structure” on page 91, our Company has not made any rights issue during the five years preceding the date of this Draft Red Herring Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES/LISTED PROMOTERS OF OUR COMPANY**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 91 of this Draft Red Herring Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations and amendments thereto, the relevant data regarding performance vis-à-vis objects is not available with the Company.

For details in relation to our group company, please see chapter titled “*Our Group Company*” on page 224 of Draft Red Herring Prospectus.

## **COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS**

Since this is an Initial Public Offer of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus..

## CAPITAL ISSUES DURING THE PREVIOUS THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “*Capital Structure*” on page 91 of Draft Red Herring Prospectus, our Company has not undertaken any capital issue during the previous three years.

For details in relation to our group company, please see chapter titled “*Our Group Company*” on page 224 of Draft Red Herring Prospectus.

## PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

- (a) Price information of past issues handled by Smart Horizon Capital Advisors Private Limited (during the current Financials year and two Fiscals preceding the current financial year):

Price information of past issues handled by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited)

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited):

| Sr. No.                     | Issuer name                       | Issue size (₹ Crores) | Issue price (Rs.) | Listing Date      | Opening price on Listing Date (in Rs.) | +/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing |
|-----------------------------|-----------------------------------|-----------------------|-------------------|-------------------|--|--|--|---|
| <b>Mainboard IPO Issues</b> |                                   |                       |                   |                   |  |  |  |   |
| -                           | -                                 | -                     | -                 | -                 | -                                      | -  | -  | -   |
| <b>SME IPO Issues</b>       |                                   |                       |                   |                   |  |  |  |   |
| 1.                          | Rikhav Securities Limited         | 88.82                 | 86.00             | January 22, 2025  | 163.40                                 | +2.97%<br>[-1.19%]   | -14.53%<br>[+3.73%]  | -   |
| 2.                          | Maxvolt Energy Industries Limited | 54.00                 | 180.00            | February 19, 2025 | 180.00                                 | -5.92%<br>[+1.12%]   | -  | -   |
| 3.                          | Beezaasan Explotech Limited       | 59.93                 | 175.00            | March 03, 2025    | 146.00                                 | 0.00%<br>[+4.67%]  | -  | -   |
| 4.                          | Desco Infratech Limited           | 30.75                 | 150               | April 01, 2025    | 160.00                                 | 62.47%<br>[+5.08%]   | -  | -   |

Source: [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

### Notes:

- The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
- Price on BSE/NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, closing price of the previous trading day has been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the last trading price has been considered.
- Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of price information of past issues handled by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited):**

| Financial Year         | Total no. of IPOs  | Total funds raised (₹ Crores) | Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date |                   |               | Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date |                  |               | Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date |                  |               | Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date |                  |               |
|------------------------|--------------------|-------------------------------|--|-------------------|---------------|---|------------------|---------------|--|------------------|---------------|---|------------------|---------------|
|                        |                    |                               | Over 50%   | Between 25% - 50% | Less than 25% | Over 50%  | Between 25%- 50% | Less than 25% | Over 50%   | Between 25%- 50% | Less than 25% | Over 50%  | Between 25%- 50% | Less than 25% |
| 2025-2026 <sup>@</sup> | 1 <sup>#</sup>     | 30.75                         | -  | -                 | -             | 1   | -                | -             | -  | -                | -             | -   | -                | -             |
| 2024-2025 <sup>*</sup> | 3 <sup>&amp;</sup> | 202.75                        | -  | -                 | 1             | -   | -                | 1             | -  | -                | -             | -   | -                | -             |
| 2023-2024              | -                  | -                             | -  | -                 | -             | -   | -                | -             | -  | -                | -             | -   | -                | -             |

<sup>@</sup>The script of Desco Infratech Limited has not completed 180 days from the date of listing.

<sup>&</sup> The script of Desco Infratech Limited was listed on April 01, 2025.

<sup>\*</sup>The script of Rikhav Securities Limited, Maxvolt Energy Industries Limited and Beezaasan Explotech Limited has not completed 180 days from the date of listing.

<sup>&</sup> The script of Rikhav Securities Limited, Maxvolt Energy Industries Limited and Beezaasan Explotech Limited was listed on January 22, 2025, February 19, 2025 and March 03, 2025.

**Note:** Rights Issues lead managed by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited) have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

#### TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER

For details regarding track record of the Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: [www.shcapl.com](http://www.shcapl.com)

#### STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### REDRESSAL AND DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of atleast eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as may be prescribed under the applicable laws, to enable the Bidders to approach the Registrar to the Issue for redressal of their grievances.

All issue related grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding Two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding Two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as modified by SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications, for the stipulated period and such compensation to investors shall be computed from T+3 day. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the SCSBs and Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay.

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

Separately, pursuant to the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario   | Compensation amount   | Compensation period   |
|--|---|---|
| Delayed unblock for cancelled / withdrawn / deleted applications             | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher  | From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism | 1. Instantly revoke the blocked funds other than the original application amount and<br>2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | From the date on which multiple amounts were blocked till the date of actual unblock  |
| Blocking more amount than the Bid Amount                                     | 1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and<br>2. ₹100 per day or 15% per annum of the difference amount, whichever is higher                                       | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock   |
| Delayed unblock for non – Allotted / partially Allotted applications         | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher  | From the Working Day subsequent to the finalisation of the Basis of   |



| Scenario | Compensation amount | Compensation period                       |
|----------|---------------------|---|
|          |                     | Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor at the rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information – Book Running Lead Manager*” on page 82 of this Draft Red Herring Prospectus.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company has obtained authentication on the SCORES in terms of the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Further, our Board by a resolution on September 29, 2024, has also constituted a Stakeholders’ Relationship Committee. The composition of the Stakeholders’ Relationship Committee is as follows:

| Name of the Directors        | Nature of Directorship             | Designation in Committee |
|------------------------------|------------------------------------|--------------------------|
| Mr. Afnas                    | Non-Executive Independent Director | Chairman                 |
| Mr. Anoop V                  | Non-Executive Independent Director | Member                   |
| Mr. Mohamedali Cheruparambil | Whole Time Director                | Member                   |

For further details, please see the chapter titled “*Our Management*” beginning on page 202 of this Draft Red Herring Prospectus.

Our Company has also appointed Ms. Reshmi N K, as the Company Secretary and Compliance Officer for the Issue and she may be contacted at the Registered Office of our Company.

### Ms. Reshmi N K

4/481-A, Perinkadakkad House,  
Puthanpparamba Iringalloor P O, Vengara,  
Malappuram, Malappuram, Kerala, India, 676304

Tel No.: + 91 9567916106

Email: [investors@ajcjewel.com](mailto:investors@ajcjewel.com)

Website: <https://ajcjewel.com/>

## STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

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

Our company has not applied for or received any exemption from the SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

**OTHER CONFIRMATIONS**

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the Issue.

## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued, Allotted and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulation, 2018 and as amended from time to time, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Issue, to the extent and for such time as these continue to be applicable.*

#### THE ISSUE

The Issue comprises of a Fresh Issue of Equity shares. For details in relation to the Issue expenses, see “Objects of the Issue – Issue related expenses”, on page 115.

#### RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being issued, allotted and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations as amended, SCRA, SCRR, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” beginning on page 346 of this Draft Red Herring Prospectus.

#### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013, Dividend distribution policy of our Company, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” beginning on page 226 and 346, respectively of this Draft Red Herring Prospectus.

#### FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and at the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in the Pre issue and Price Band advertisement in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

#### COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 346 of this Draft Red Herring Prospectus.

## **ALLOTMENT ONLY IN DEMATERIALISED FORM**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated June 13, 2024 amongst our Company, CDSL and Registrar to the Issue.
2. Tripartite agreement dated July 24, 2024 between our Company, NSDL and Registrar to the Issue.

For details in relation to the Basis of Allotment, see “*Issue Procedure*” on page 322 of this Draft Red Herring Prospectus.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, 2018 and amendments thereto, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2 lakhs.”

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Issue Procedure*” on page 322.

*Further, in accordance with SEBI ICDR Regulations, 2018 and amendments thereto, the minimum application size in terms of number of specified securities shall not be less than ₹2.00 Lakh.*

## **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with the Regulation 268(1) of SEBI ICDR Regulation, 2018, as amended, the minimum number of allottees in this issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no

allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

## **JOINT HOLDERS**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

## **JURISDICTION**

The courts of Malappuram, Kerala, India will have exclusive jurisdiction in relation to this Issue.

## **NOMINATION FACILITY TO THE INVESTORS**

In accordance with Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or the first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. A Fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or to the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 as mentioned above, shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the entire or portion of the Issue for any reason at any time after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Issue and price band advertisements were published, within one day of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. If our Company in consultation with the Book Running Lead Manager

withdraws the Issue after the Bid / Issue Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with BSE SME.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the BSE Limited, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

## BID/ISSUE PROGRAM

An indicative timetable in respect of the Issue is set out below:

| Event  | Indicative Date       |
|--|-----------------------|
| <b>Bid/Issue Opens on</b>  | [●] <sup>(1)</sup>    |
| <b>Bid/Issue Closes on</b>   | [●] <sup>(2)(3)</sup> |
| <b>Finalization of Basis of Allotment with the Designated Stock Exchange</b> | On or before [●]      |
| <b>Initiation of Refunds / unblocking of funds from ASBA Account*</b>        | On or before [●]      |
| <b>Credit of Equity Shares to demat account of the Allottees</b>             | On or before [●]      |
| <b>Commencement of trading of the Equity Shares on the Stock Exchange</b>    | On or before [●]      |

1. Our Company in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations
2. Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
3. UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e.

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. and SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations.

The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Issue Closing date or such other time as prescribed by SEBI, the timetable may be subject to change due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision

of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory T+3 days listing basis, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working days from the Bid/Issue Closing Date or such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking, in the manner specified in the UPI Circulars, to the extent applicable, which for the avoidance of doubt, shall be deemed to be incorporated herein. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

**Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.**

#### **Submission of Bids (other than Bids from Anchor Investors)**

| <b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>   |  |
|---|--|
| Submission and Revision in Bids   | Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("IST")         |
| <b>Bid/Issue Closing Date*</b>  |  |
| Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IIs, other than QIBs and NIIs                                     | Only between 10.00 a.m. and up to 5.00 p.m. IST                            |
| Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications) | Only between 10.00 a.m. and up to 4.00 p.m. IST                            |
| Submission of Electronic Applications (Syndicate Non-Individual, Non-Individual Applications)   | Only between 10.00 a.m. and up to 3.00 p.m. IST                            |
| Submission of Physical Applications (Bank ASBA)   | Only between 10.00 a.m. and up to 1.00 p.m. IST                            |
| Submission of Physical Applications (Syndicate Non-Individual, Non-Individual Applications)   | Only between 10.00 a.m. and up to 12.00 p.m. IST                           |
| <b>Modification/ Revision/cancellation of Bids</b>  |  |
| Upward Revision of Bids by QIBs and Non-Institutional Bidders categories <sup>#</sup>   | Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Issue Closing Date |
| Upward or downward Revision of Bids or cancellation of Bids by IIs  | Only between 10.00 a.m. and up to 5.00 p.m. IST                            |

\* UPI mandate and time and date shall be at 5.00 pm IST on Bid/Issue Closing Date.

# QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

#### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by IIs.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by Individual Investors, after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

**The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/Issue Opening Date until the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Issue on a daily basis, It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to the limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their bids one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 1.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Issue Closing Date, some Bids may not get uploaded due to the lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will be accepted only during Monday to Friday (excluding any public holidays). None of our Company or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 issued by BSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchange.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Offer Document including devolvement of Underwriters our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company



becomes liable to pay the amount, our Company and every Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” on page 87 of this Draft Red Herring Prospectus.

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations and as amended, our Company shall ensure that the minimum application size shall not be less than two lots.

*“Provided that the minimum application size shall be above ₹2 lakhs.”*

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for the lock-in of the pre- Issue capital of our Company, lock-in of the Promoters’ minimum contribution and the Anchor Investor lock-in as provided in “Capital Structure” beginning on page 91 of this Draft Red Herring Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “Main Provisions of the Articles of Association” beginning on page 346 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

#### **ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM**

In accordance with the SEBI ICDR Regulations, 2018 and as amended, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs/FIIs registered with SEBI or VCFS or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FPIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

#### **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **MIGRATION TO MAIN BOARD**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 and as amended, to the extent applicable, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 and as amended, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).”

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfill following conditions:

| Eligibility Criteria | Details |
|----------------------|---------|
|----------------------|---------|

|   |  |
|---|--|
| Paid up capital and market capitalization                               | <p>Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum ₹ 25 Crores.</p> <p>(Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)</p>   |
| Promoter holding  | Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.  |
| Financial Parameters  | <ul style="list-style-type: none"> <li>The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediate preceding Financial Year of making the migration application to Exchange</li> <li>The applicant company should have a Net worth of at least ₹ 15 crores for 2 preceding full financial years</li> </ul>   |
| Track record of the company in terms of listing/regulatory actions, etc | The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years.   |
| Regulatory action   | <ul style="list-style-type: none"> <li>No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals.</li> <li>No Debarment of company, promoters/promoter group, subsidiary company by SEBI.</li> <li>No Disqualification/Debarment of directors of the company by any regulatory authority.</li> <li>The applicant company has not received any winding up petition admitted by a NCLT</li> </ul>   |
| Public Shareholder  | The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.  |
| Other parameters like No. of shareholders, utilization of funds         | <ul style="list-style-type: none"> <li>No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.</li> <li>No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies.</li> <li>The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform.</li> <li>The applicant company has no pending investor complaints.</li> <li>Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.</li> </ul> |

*Notes:*

1. Net worth definition to be considered as per definition in SEBI ICDR.
2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
3. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
5. The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange.

## MARKET MAKING

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory market making through the registered Market Maker of the BSE SME for a minimum period of three(3) years from the date of listing of shares on BSE SME. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 81 of this Draft Red Herring Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital does not exceed ₹10 crores. The Company shall Issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on page no. 307 and 322 respectively of this Draft Red Herring Prospectus.

### ISSUE STRUCTURE

This Issue comprised of Initial Public Offering of up to 16,20,000 Equity Shares for Cash at an Issue Price of ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] Lakhs. The Issue comprises a reservation of up to [●] Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Issue to Public of up to [●] Equity Shares of face value of ₹10/- each (“**the Net Issue**”). The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process.

| Particulars  | Market Maker Reservation Portion | QIBs <sup>(1)</sup>  | Non - Institutional Investors/Bidders  | Individual Investors/Bidders (who applies for minimum application size)  |
|--|----------------------------------|--|--|--|
| <b>Number of Equity Shares available for allocation or allotment</b> <sup>*(2)</sup> | Up to [●] Equity Shares          | Not more than [●] Equity Shares of face value of ₹10/- each  | Not less than [●] Equity Shares of face value of ₹10/- each available for allocation or issue less allocation to QIB Bidders and Individual Investors  | Not less than [●] Equity Shares of face value of ₹10/- each available for allocation or issue less allocation to QIB Bidders and Non - Institutional Investors |
| <b>Percentage of Issue Size available for Allocation or allotment</b>                | [●] of the Issue Size            | Not more than 50% of the issue size shall be allocated to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not more than 15% of the Net issue or the issue less allocation to QIBs and Individual Investors/Bidders was available for allocation. Further, (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs, provided that the unsubscribed portion in either the sub-categories mentioned above could be allocated to applicants in the other sub-category of Non-Institutional Bidders. | Not less than 35% of the Net Issue   |

| Particulars               | Market Maker Reservation Portion    | QIBs <sup>(1)</sup>   | Non - Institutional Investors/Bidders   | Individual Investors/Bidders (who applies for minimum application size)  |
|---------------------------|-------------------------------------|---|---|--|
| <b>Basis of Allotment</b> | Firm allotment                      | <p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>a) Up to [●] Equity Shares of face value of ₹10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>b) Up to [●] Equity Shares of face value of ₹10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above</p> <p>c) Up to 60% of the QIP portion (of up to [●] Equity Shares of face value of ₹10 each) may be allocated on a discretionary basis to Anchor Investors of which one third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.</p> | Subject to the availability of shares in non-institutional investors' category, the allotment of equity shares to each non-institutional category shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis, the [●] Equity Shares shall be allotted in multiples of [●] Equity Shares. For details, see "Issue Procedure" beginning on page 322 of this Draft Red Herring Prospectus. | Minimum allotment of [●] Equity Shares. For details, see "Issue Procedure" beginning on page 322 of this Draft Red Herring Prospectus. |
| <b>Mode of Bid</b>        | Only through ASBA Process           | ASBA only except for Anchor Investors   | Only through ASBA Process   | Through ASBA Process, Through Banks or by using UPI ID for payment   |
| <b>Mode of allotment^</b> | Compulsorily in dematerialized form |   |   |  |
| <b>Minimum Bid Size</b>   | [●] Equity Shares                   | [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹5/  | Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10/- each more than two lots.  | [●] Equity Shares  |

| Particulars                        | Market Maker Reservation Portion   | QIBs <sup>(1)</sup>  | Non - Institutional Investors/Bidders   | Individual Investors/Bidders (who applies for minimum application size)   |
|------------------------------------|--|--|---|---|
|                                    |  | each that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter   |   |   |
| <b>Maximum Bid Size</b>            | [●] Equity Shares  | Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10/- each not exceeding the size of the issue (excluding the Anchor Portion), subject to applicable limits under applicable law.  | Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10/- each not exceeding the size of the issue (excluding the QIB Portion), subject to limits prescribed under applicable law.                  | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount shall be above two lots, accordingly, the minimum application size shall be above ₹2.00 Lakhs.  |
| <b>Bid Lot</b>                     | [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter       |  |   |   |
| <b>Trading Lot</b>                 | [●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof  | [●] Equity Shares and in multiples thereof  |
| <b>Who can apply?</b><br>(3)(4)(5) | Market Maker   | Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus | Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices | Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares so that the Bid Amount shall be above two lots, accordingly, the minimum application size shall be above ₹2.00 Lakhs. |

| Particulars             | Market Maker Reservation Portion  | QIBs <sup>(1)</sup>  | Non - Institutional Investors/Bidders | Individual Investors/Bidders (who applies for minimum application size) |
|-------------------------|---|--|---------------------------------------|---|
|                         |   | of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules. |                                       |   |
| <b>Terms of Payment</b> | <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(6)</sup></p> |  |                                       |   |

*\*Assuming full subscription in the Issue*

<sup>^</sup> SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and IIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- (1) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.
- (2) The SEBI ICDR Regulation, 2018 and as amended, permits the issuer of securities to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of



more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) Regulations, 2018 and as amended. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

- (3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*
- (4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the Confirmation of Allotment Note.*
- (5) *Bids by FPIs with certain structures as described under “Issue Procedure – Bids by FPIs” beginning on page 331 and having the same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) have been proportionately distributed.*
- (6) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and allotment to Non- Institutional Investors shall be more than two lots, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see “Terms of the Issue” on page 307.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.**

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulation, 2018 and as amended, which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

The SEBI ICDR Regulation, 2018 and as amended, permits the issue of securities to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) Regulations, 2018 and as amended. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

Further, SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2 lakhs.”

SEBI through the UPI Circulars no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (UPI Phase I).

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by IIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue

will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Further, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ("SEBI RTA Master Circular") and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for RTAs.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application size are up to ₹5,00,000 shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

Further, our Company and the BRLM are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Our Company and the Syndicate are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL; our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-issue shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Issue Opening Date.

## **BOOK BUILDING PROCEDURE**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 252 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process, in compliance with Regulation 253 (1) and 253 (2) of the SEBI ICDR Regulation, 2018 and as amended, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLM, of which one-third shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of undersubscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion). Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid

Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. The SEBI ICDR Regulation, 2018 and as amended, which permits the issue of securities to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) Regulations, 2018 and as amended. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and March 28, 2023 and any subsequent press releases in this regard.

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●]% of the post Issue paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders Bidding in the Employee Reservation Portion using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **MODIFICATION IN THE ALLOCATION TO THE NET ISSUE**

The SEBI ICDR Regulation, 2018 as amended, which permits the issue of securities to the public through the Book Building Process, which states that not less than 35% of the Net issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) Regulations, 2018 and as amended. Not more than 50% of the Net issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and Subject to the availability of Equity Shares in the Non – Institutional investors category allotment to Non- Institutional Investors shall be more than two lots which shall not be less than the minimum application size and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of, inter alia, equity shares. Pursuant to the SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars; the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by IIs through Designated Intermediaries with the objective to reduce the time duration from public Offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an II had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

**Phase II:** This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by IIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

#### **The Issue is being made under Phase III of the UPI:**

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Issue BRLMs will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI BI ICDR Master Circular, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations. NPCI vide circular reference no. NPCI/UIP/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹2,00,000 to ₹5,00,000 for UPI based ASBA in initial public offering.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

#### **BID CUM APPLICATION FORM**

A. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.

B. On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.

C. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

#### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

ASBA Bidders (i.e., those not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

The UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of Electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of Electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. IIs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Issue is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

- a) IIs (other than the IIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

- b) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- c) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.
- d) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular is applicable for all categories of investors viz. Individual, QIB and NIB and also for all modes through which the applications are processed.

UPI Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. For Anchor Investors, the Anchor Investor Application Form is available with the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

| Category   | Colour of Bid cum Application form* |
|--|-------------------------------------|
| Resident Indians, including QIBs, Non-institutional Investors and Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.   | [●]                                 |
| Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis | [●]                                 |
| Anchor Investors**   | [●]                                 |

\* Excluding electronic Bid cum Application Form.

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of BSE ([www.bseindia.com](http://www.bseindia.com)).

The Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any escrow bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded up to 5.00 p.m. on Bid/ Issue Closing Date.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such Individual Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the

Issue shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("Cut- Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Issue Bidding process.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

### **Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;



10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
  - a) Minors (except through their Guardians)
  - b) Partnership firms or their nominations
  - c) Foreign Nationals (except NRIs)
  - d) Overseas Corporate Bodies

**Participation by Promoters, Promoter Group, The Book Running Lead Manager, The Syndicate Members and Persons Related to Promoters/Promoter Group/The Book Running Lead Manager**

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Issue under the Anchor Investor Portion:

- a) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
- b) insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- c) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- d) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Issue, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Issue under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders’ agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made, subject to applicable law.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV 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.

#### **BIDS BY ELIGIBLE NON-RESIDENT INDIANS**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 345 of this Draft Red Herring Prospectus.

## **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/Applications by HUFs may be considered at par with Bids from individuals.

## **BIDS BY FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post- issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the issue are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- c) such offshore derivative instruments are issued after compliance with ‘know your client’ norms;
- d) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- a) FPIs which utilise the multi-investment manager structure;
- b) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- c) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

- d) FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- e) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- f) Government and Government related investors registered as Category 1 FPIs; and
- g) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Issue shall be subject to the FEMA Rules.

**There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

#### **BIDS BY SEBI REGISTERED VCFs, AIFs AND FVCIs**

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "Banking Regulation Act"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

#### **BIDS BY SCSBs**

SCSBs participating in the offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDA Investment Regulations"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

## **BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

## **BIDS BY ANCHOR INVESTORS**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored

by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus.**

#### **INFORMATION FOR BIDDERS**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

#### **PRE-ISSUE AND PRICE BAND ADVERTISEMENT**

Subject to Section 30 of the Companies Act and Regulation 250 (4) and 264 (1) of the SEBI ICDR Regulations and amendments thereto, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- issue and price band advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of the Malayalam daily newspaper [●] (Malayalam being the regional language of Kerela where our Registered Office is located) each with wide circulation.

In the pre- issue and price band advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act and Regulation 250 (4) and 264 (1) of the SEBI ICDR Regulation, 2018 and as amended, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations, 2018 and as amended.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH THE ROC**

Our Company has entered into an Underwriting Agreement dated November 08, 2024 and addendum to Underwriting Agreement dated April 07, 2025 with the Underwriters.

#### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Ils can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
8. UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;



17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;
23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
24. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of Individual investors , once the Sponsor Banks issues the Mandate Request, the Individual investors would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the Individual Investors Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks Issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Individual Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Individual investors shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.**

***Don'ts:***

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
4. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
5. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit the Bid for an amount more than funds available in your ASBA account;
10. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
11. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
12. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
14. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
15. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

16. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
17. Anchor Investors should not bid through the ASBA process;
18. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
19. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not submit the GIR number instead of the PAN;
21. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
22. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
23. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Issue Closing Date;
24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
25. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centers. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
26. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
27. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
28. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
30. Do not Bid if you are an OCB;
31. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
32. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
33. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;
34. For helpline details of the Book Running Lead Manager pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, see “General Information – Book Running Lead Managers” on page 82.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the Individual investors by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by Individual investors with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by Individual investors uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre- Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the Company Secretary and Compliance officer, see “*General Information*” beginning on page 81 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **TERMS OF PAYMENT**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **PAYMENT MECHANISM**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Individual Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis.

### **Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment post review by BRLM with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

### **PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNTS**

Our Company in consultation with the Book Running Lead Manager will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

### **ALLOTMENT ADVERTISEMENT**

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of a widely circulated English national daily newspaper, [●], editions of a widely circulated Hindi national daily newspaper [●] and editions of a widely circulated Malayalam daily newspaper [●] (Malayalam being the regional language of Kerela, where our Registered Office is located).

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under**

applicable laws or regulations.

## DEPOSITORY ARRANGEMENTS

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated June 13, 2024, amongst our Company, CDSL and Bigshare Services Private Limited.
2. Tripartite agreement dated July 24, 2024 between our Company, NSDL and Bigshare Services Private Limited.

## IMPERSONATION

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 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 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

## UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Issue Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoters' contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue and price band advertisements were published. The Stock Exchanges shall be informed promptly;

#### **UTILISATION OF ISSUE PROCEEDS**

Our Board certifies that:

- a) Our Company, severally and not jointly, specifically confirm that all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in subsection (3) of Section 40 of the Companies Act.
- b) Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net 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; and
- c) Details of all unutilized monies out of the Fresh 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.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The DPIIT issued, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT 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 are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 322 of this Draft Red Herring Prospectus. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act of 1993, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits.

## **SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

### **THE COMPANIES ACT, 2013**

### **COMPANY LIMITED BY SHARES**

**(Incorporated under the Companies Act, 2013)**

### **ARTICLES OF ASSOCIATION<sup>12</sup>**

### **OF**

### **AJC JEWEL MANUFACTURERS LIMITED**

#### **1) a) Applicability of Table F**

In respect of those provisions which have not be specifically mentioned herein the provisions in Table F shall apply, to the extent it is not inconsistent with the provisions of this Articles

#### **b) Applicability of Stock Exchange Regulations**

Notwithstanding anything contained herein in these Articles, any inconsistency as to clause or time stipulated therein with the regulations and conditions of listing agreement of applicable stock exchanges, where the shares/securities of the Company are listed, shall stand modified so as to be consistent with the regulations and conditions of the listing agreement as amended from time to time.

Where any regulations and conditions as modified from time to time of any recognized stock exchange/s, which are required to be stipulated and included in the articles of association of a company at the time of listing of shares / securities or thereafter, these Articles shall stand to have been modified or amended so as to include such regulation and condition without further requirement of alteration of the Articles of Association of the Company.

### **INTERPRETATION**

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

#### **THE ACT**

“The Act” means the Companies Act, 2013 and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory modification or re-enactment thereof for the time being in force.

#### **ARTICLES**

The “Articles” or “Articles of Association” means these articles of association of the Company or as altered from time to time.

#### **BOARD OR BOARD OF DIRECTORS**

“Board” or “Board of Directors” means the board of directors of the Company, as constituted from time to time.

#### **CHAIRMAN**

“The Chairman” means the Chairman of the Board of Directors / Committee for the time being of the Company.

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<sup>1</sup> Amended vide Special Resolution passed in the Extra Ordinary General Meeting held on 05/08/2024

<sup>2</sup> Amended vide Special Resolution passed in the Extra Ordinary General Meeting held on 05/08/2024

## **THE COMPANY OR THIS COMPANY**

“The Company” or “This Company” means **AJC JEWEL MANUFACTURERS LIMITED**.

## **RULES**

Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

## **MONTH**

“Month” means a calendar month.

## **PERSONS**

“Person” or “person” shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity, whether incorporated or not, that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable law.

## **GENDER**

Words importing one gender also include the other gender(s).

## **SINGULAR NUMBER**

Words importing the singular number include, where the context admits or requires, the plural number, and vice versa.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

## **EXPRESSION IN THE ACT TO BEAR THE SAME MEANING IN ARTICLES**

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined.

### **2) PUBLIC COMPANY**

The company is a public company as defined in Section 2(71) of the Act.

## **CAPITAL, SHARES AND CERTIFICATES**

### **3) CAPITAL**

- a) The Authorised Share Capital of the Company is as stated in the **Clause V** of the Memorandum of Association with the rights, privileges and conditions attached thereto as provided in law for the time being in force with powers to the Company to issue share capital as provided under Section 43 of the Act and divide share capital for the time being of the Company into several classes / kinds (being those specified in the Act) and to attach thereto respectively such preferential, qualified, differential or special rights, privileges or conditions as may be determined by or in accordance with the law or the Articles of Association of the Company for the time being in force and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the law for the time being in force or provided by the Articles of Association of the Company.
- b) Subject to the provision of the Act and Rules and these articles, the Board may issue and allot shares in the capital of the Company in consideration of payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business

or as sweat equity and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than cash and if so issued shall be deemed to be fully paid or partly paid up shares as the case may be.

#### **4) INCREASE OF CAPITAL BY THE COMPANY**

The Company in general meeting may from time to time, by ordinary resolution, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at a general meeting of the Company in conformity with Sections 47 of the Act.

#### **5) ISSUE OF SECURITIES**

Subject to the provisions of the Act and the rules and other applicable laws the Company shall have the right to issue any kind of shares/ securities / warrants having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or asset of any kind wherever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business.

#### **6) ISSUE OF REDEEMABLE PREFERENCE SHARES**

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed or converted into equity shares on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules.

#### **7) SHARES UNDER THE CONTROL OF THE BOARD**

Subject to the Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such times as it may from time to time think fit and proper, and with full power of the sanction of the Company in General Meeting, to give to any Person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares.

Provided that the option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

#### **8) PURCHASE / BUY BACK OF SHARES**

- (a) Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit.
- (b) Subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall also be entitled to provide loan or any financial assistance to any person to purchase shares or securities of the Company.

#### **9) REDUCTION OF CAPITAL**

The Company may (subject to the provisions of Section 52, 55, 66 and/or other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital, (b) any capital redemption, reserve account, or (c) any share premium account in any manner and with and subject to any incidents, authorise the consent required by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

#### **10) CONSOLIDATION, DIVISION, SUB-DIVISION AND CANCELLATION OF SHARES**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter the conditions of its Memorandum as follows:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

#### **11) MODIFICATION OF RIGHTS**

- (i) Whenever the capital, by reason of the issue of shares including preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article, is not to derogate from any power the Company would have if this Article was omitted.
- (ii) The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* there with. This Article, is not to derogate from any power the Company would have if this Article was omitted.

#### **12) ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS**

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. This Article, is not to derogate from any power the Company would have if this Article was omitted.

#### **13) FURTHER ISSUE OF SHARES/SECURITIES**

A further issue of shares/securities may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement, rights issue, bonus issue, pursuant to employee stock options, sweat equity or in any other manner as permitted by the Act and at such time as the Board may from time to time think fit.

#### **14) ISSUE OF SHARES TO EMPLOYEES**

Subject to applicable rules and regulation, the Board may issue and allot shares/securities as sweat equity or under employees stock option scheme. The Board is authorised absolutely at its sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time.

#### **15) LIABILITY OF MEMBERS**

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

#### **16) SHARE CERTIFICATES**

- (a) The Company shall cause to be kept a register of members in accordance with Section 88 of the Act.

Every person whose name is entered as a member in the register of members shall be entitled to receive, within two months after allotment (or within such other period as the conditions of issue shall provide), or within fifteen days after the application for the registration of transfer or transmission is received by the Company, without payment, certificate for all the shares registered in his name, every share certificate specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

- (b) Certificate of title to shares shall be issued and shall be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within two months after the allotment unless the conditions of issue of shares provide otherwise.
- (c) Any two or more joint allottees or holders of share shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of the certificate for a share to one of several joint shareholders shall be sufficient delivery to all such holder.

#### **17) FRACTIONAL CERTIFICATES**

- (a) If and whenever, as a result of issue of new shares on consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Board may subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting:
  - (i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with other fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time and if at the expiry of such time, any fractional certificates shall be deemed to be canceled and the Directors shall sell the shares represented by such canceled fractional certificates for the best price reasonably obtainable or
  - (ii) Sell the shares represented by all such fractional parts for the best price reasonably obtainable.
- (b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Company shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.
- (c) For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.
- (d) The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
- (e) Notwithstanding the above, the Board shall have power to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares/securities becoming distributable in fractions.

#### **18) RENEWAL OF SHARE CERTIFICATE**

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the pages on

the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

Provided further that in case of any share certificate being lost or destroyed or if there be no further space on the bank for endorsement of transfer, the Company may issue a duplicate certificate in place of the certificate so lost or destroyed on such terms as to evidence out of pocket expenses in regard to investigation of such evidence and on execution of indemnity as the Board may determine.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn-out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement.

Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulation or requirements of any stock exchanges or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

**19) COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN REGISTERED HOLDER**

Except as ordered by a Court of competent jurisdiction or as by law required the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles expressly provided) any right in respect of a share other than an absolute right thereto/ in accordance with these Articles, in the person whose name appears in the Register of Members as holder of shares or whose name appears as the beneficial owner of the shares in the records of the depository, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**20) COMPANY ENTITLED TO DEMATERIALISE ITS SHARES AND SECURITIES**

**Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialize its shares, debenture and other securities in a dematerialised form.** The Company shall further be entitled to maintain a Register of Members with the details of members holding shares/securities both in material and dematerialised form in any media as permitted by law including any form of electronic media.

**21) GENERAL AUTHORITY**

Where in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transactions only if such company is so authorized by its articles of association, in every such case this Articles of Association hereby authorizes and empowers the Company, its Board, its Directors and/or its members to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific provision in that behalf herein. Following are a few illustrations of such rights, privileges, authorities and transactions as set out with relevant Section numbers from the Act:

Section 40: to pay commission on issue of shares and debentures

Section 43: to issue shares with differential voting rights

Section 48: to alter rights of holders of special class of shares

Section 50: to accept amount on share capital although not called up

Section 51: to pay dividend in proportion to amount paid-up

Section 55: to issue preference shares.

Section 61: to alter the share capital of the company

Section 42: to issue shares on preferential basis

Section 62: to further issue shares/securities

Section 63: to issue bonus shares

Section 68: to buy back the shares of the Company

Section 88: to keep foreign register of members of debenture holders

Section 161: to appoint additional, alternate and nominee directors

The above authority does not include rights, privileges, authorities under Section 163 of the Act.

## **22) POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED**

1. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

2. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules.

3. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

## **23) BROKERAGE**

The Company may on any issue of shares, debentures or any other securities pay such brokerage or commission as may be prescribed under the Act.

## **CALLS**

## **24) BOARD MAY MAKE CALLS**

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of moneys unpaid on the shares, whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine at any time.

## **25) NOTICE OF CALLS**

At least Fourteen (14) days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

## **26) CALLS TO TAKE EFFECT FROM THE DATE OF RESOLUTION**

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board of Directors.

## **27) CALLS ON SHARES OF SAME CLASS TO BE ON UNIFORM BASIS**

All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.



**28) BOARD MAY EXTEND TIME**

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.

**29) AMOUNT PAYABLE AT FIXED TIME OR BY INSTALMENTS TO BE TREATED AS CALLS**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable by the person who for the time being and from time to time is or shall be the registered holder of the shares or legal representative of a deceased registered shareholder, as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

**30) DEPOSIT AND CALL, ETC. TO BE DEBT PAYABLE**

The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

**31) INTEREST ON CALL OR INSTALMENT**

If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at the rate as may be determined by the Board from the due date appointed for the payment thereof till the time of actual payment. However, the Board may waive payment of such interest wholly or in part.

**32) PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time-to-time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

**33) PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST**

(a) The Board of Directors may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Company may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine (9) per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months notice in writing.

(b) No member paying any such sum in advance shall be entitled to voting rights or dividend or to participate in profits in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

**34)** The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

**LIEN**

**35) COMPANY TO HAVE LIEN ON SHARES/ DEBENTURES**

The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share/debentures shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of shares/ debentures.

Unless otherwise agreed, the registration of a transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/ debentures to be wholly or in part exempt from the provisions of this Article.

**36) AS TO ENFORCING LIEN BY SALE**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:

- (a) Unless a sum in respect of which the lien exists is presently payable; or
- (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issue a duplicate certificate in respect of such shares and may authorise one of the members to execute a transfer thereof on behalf of and in the name of such members.

**37) TRANSFER OF SHARES SOLD UNDER LIEN**

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereto;
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer;
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
- (4) The Purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

**38) APPLICATION OF PROCEEDS OF SALE**

- (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

**39) OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

- 40)** The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

**JOINT HOLDERS**

**41) THE FIRST NAMED OF JOINT HOLDERS DEEMED SOLE HOLDER**

If any share stands in the names of two or more persons, first named in the register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall, severally as well as jointly, be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

- 42) Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these articles:-

#### **NOT MORE THAN FOUR**

- (a) The Company shall not be bound to register more than four persons as the holders of any share.
- (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls and other payments which ought to be made in respect of such share.

#### **TITLE OF SURVIVORS**

On the death of any of such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

#### **RECEIPT OF ONE SUFFICIENT**

Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

#### **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE**

Only the person whose name stands first in the Register of Members as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share or to receive any documents from the Company and any document served on or sent to such person shall be deemed service on all the joint holders.

The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

#### **FORFEITURE OF SHARES**

##### **43) IF MONEY PAYABLE ON SHARES NOT PAID NOTICE TO BE GIVEN TO MEMBER**

If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

##### **44) ALLOTMENT MONEY SHALL BE DEEMED TO BE A CALL**

For the purpose of provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

##### **45) EFFECT OF NONPAYMENT OF SUMS**

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

##### **46) FORM OF NOTICE**

The notice shall name a day (not being less than fourteen (14) days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

**47) IN DEFAULT OF PAYMENT SHARES TO BE FORFEITED**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect by the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

**48) NOTICE OF FORFEITURE TO A MEMBER**

When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forth with be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

**49) FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY AND MAY BE SOLD ETC.**

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

**50) CANCELLATION OF FORFEITURE**

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**51) MEMBER STILL LIABLE TO PAY MONEY OWING AT THE TIME OF FORFEITURE AND INTEREST**

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment, at such rate not exceeding twelve (12) per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation so to do.

**52) EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**53) VALIDITY OF FORFEITURE**

- 1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration shall be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share.
- 2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- 3) The person to whom such share, is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share;

- 4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest and bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.
- 5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the share.

**54) CANCELLATION OF SHARE CERTIFICATES IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate in respect of the said shares to the persons entitled thereto.

**55) VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares, the validity of the sale shall not be impeached by any person.

**56) SURRENDER OF SHARES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

- 57)** The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

**TRANSFER AND TRANSMISSION OF SHARES**

**58) INSTRUMENT OF TRANSFER TO BE EXECUTED BY TRANSFEROR AND TRANSFEREE**

- 1) For shares in physical form, the instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- 2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 3) The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

**59) BOARD MAY REFUSE TO REGISTER TRANSFER**

Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a shareholder of the Company. The Board shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares / debentures in whatever lot shall not be refused.

**60) BOARD MAY DECLINE TO RECOGNIZE INSTRUMENT OF TRANSFER**

The Board may decline to recognize any instrument of transfer unless –

- a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
- b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c) the instrument of transfer is in respect of only one class of shares.

**61) TRANSFER OF SHARES WHEN SUSPENDED**

On giving of previous notice of at least seven (7) days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty (30) days at any one time or for more than forty- five (45) days in the aggregate in any year.

**62) TRANSFER OF PARTLY PAID SHARES**

Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

**63) TRANSFER TO MINORS, ETC.**

- (a) No share shall in any circumstances be transferred to an insolvent or a person of unsound mind.
- (b) A minor may be admitted and registered as a member of the Company in respect of any fully paid up share or shares in his or her name. The father or the mother of a minor or a guardian appointed by a competent court shall have a right to represent and act for the minor in all respects including voting and/or giving proxy in respect of any share or shares held by such minor.

**64) THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

**65) TITLE TO SHARES OF DECEASED MEMBER**

The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the names of such members, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession certificate, as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board may upon such terms as to indemnity or otherwise as the Directors may deem proper

dispense with production of Probate or Letters of Administration or Succession Certificate and register under this Article the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

**66) TITLE TO SHARES ON DEATH OF A MEMBER**

On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

**67) ESTATE OF DECEASED MEMBER LIABLE**

Nothing shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**68) TRANSMISSION CLAUSE**

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time-to-time properly be required by the Board and subject as hereinafter provided, elect, either –

- a) to be registered himself as holder of the share; or
- b) to make such transfer of the share as the deceased or insolvent member could have made.

**69) BOARD'S RIGHT UNAFFECTED**

The Board shall in either case have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**70) INDEMNITY TO THE COMPANY**

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

**71) BOARD'S RIGHT UNAFFECTED**

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**72) NO FEE ON TRANSFER OR TRANSMISSION**

No fee shall be charged for registration of transfer, grant of probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

**73) Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.**

**74) The provisions of these Articles relating to transfer & transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.**

**MEETINGS OF MEMBERS**

**75) ANNUAL GENERAL MEETING**

The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, except in the case where any extension of time for holding any annual general meeting is granted/availed under applicable laws. Not more than 15 (fifteen) months shall elapse between the date of one annual general meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual general meeting may be held. Every annual general meeting shall be called during business

hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.

## **76) EXTRAORDINARY GENERAL MEETING**

All meetings other than annual general meeting shall be called extra-ordinary general meeting.

The Board may, whenever they think fit, convene an extra-ordinary general meeting.

The Board shall on the requisition of such number of members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

### **CALLING GENERAL MEETING**

A general meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic/permitted mode in such manner as prescribed under the Act, provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode: (a) in the case of an annual general meeting, by not less than 95% (ninety-five percent) of the members entitled to vote at such meeting, and (b) in the case of any other general meeting, by members holding, majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up share capital of the Company as gives a right to vote at such meeting. Provided further that where any member is entitled to vote only on some resolution or resolutions to be moved at a general meeting and not on the others, that member shall be taken into account for the abovementioned purposes, in respect of the former resolution(s) and not in respect of the latter.

Notice of every general meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

### **NATURE OF BUSINESS**

The ordinary business of an annual general meeting shall be to receive and consider the financial statements and the report of the Board and of the auditors, to reappointment of Directors retiring by rotation, to appointment of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

## **77) QUORUM**

- 1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
- 3) The quorum for a general meeting shall be as provided in the Act.

## **78) CHAIRMAN OF GENERAL MEETING**

The chairman of the Board shall be entitled to take the chair at every general meeting, whether annual or extraordinary. If there be no such chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of the members to be the chairman of that meeting.

## **79) BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILST CHAIR VACANT**



No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

**80) CHAIRMAN MAY ADJOURN MEETING**

- (1) The Chairman may, suo moto, adjourn the meeting from time to time and from place to place.
- (2) In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the general meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Section 100 of the Act (read with provisions of these Articles) shall stand cancelled.
- (3) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (4) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (5) The required quorum at any adjourned general meeting shall be the same as that required at the original general meeting.
- (6) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

**81) CHAIRMAN'S DECLARATION OF RESULT OF VOTING ON SHOW OF HANDS**

A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

**82) CHAIRMAN'S CASTING VOTE**

In the case of an equality of votes, the chairman shall both on a show of hands and a poll (if any) have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

**83) VOTING THROUGH ELECTRONIC MEANS**

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

**84) MEMBERS PAYING MONEY IN ADVANCE NOT TO BE ENTITLED TO VOTE IN RESPECT THEREOF**

A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

**85) NUMBER OF VOTES TO WHICH MEMBER ENTITLED**

i) Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, shall be entitled to vote in the manner prescribed under the Act and Articles.

ii) Subject to the provisions of this Act and this Articles any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

iii) Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

**86) VOTING IN PERSON OR BY PROXY**

The instrument appointing a proxy and/or the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

The proxy so appointed shall have no right to speak at the meeting.

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Unless specifically provided as part of terms of preference shares, the preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Act.

**87) MEMBERS IN ARREARS NOT TO VOTE**

No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

**88) MINUTES OF PROCEEDINGS OF MEETINGS AND RESOLUTIONS PASSED BY POSTAL BALLOT**

The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed under the Act and the Rules

**89) INSPECTION OF MINUTE BOOKS OF GENERAL MEETING**

The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

- a) be kept at the registered office of the Company; and
- b) be open to inspection of any member without charge, during 2 p.m. (IST) to 4.30 p.m. (IST) on all working days.

**90) MEMBERS MAY OBTAIN COPY OF MINUTES**

Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes of general meetings:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

**91) POWERS TO ARRANGE SECURITY AT MEETINGS**

The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

## **DIRECTORS**

### **92) NUMBER OF DIRECTORS**

a) Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Directors, Government Directors, Ex-officio Directors, if any) shall be not less than 3 and not more than 15. However, maximum number can exceed 15 by passing such resolutions as required under the Act.

b) The first Directors of the Company were Mr. Ashraf Perinkadakkad and Mr. Perinkadakkat Kunhimohamed.

(c) It shall not be necessary for a Director to hold any share in the Company.

### **93) DIRECTORS NOT LIABLE TO RETIRE BY ROTATION**

The shareholders/ members shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation subject to compliance of the Act and the Rules made thereunder. Mr. Ashraf Perinkadakkad and Mr. Perinkadakkat Kunhimohamed shall not be liable to retire by rotation, unless mandated by the applicable laws. Each of them shall be entitled to hold the office until he resigns on his own accord.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation. For the purposes of this article, the total number of Directors shall not include independent directors, whether appointed under the Act or any other law for the time being in force, on the Board.

A retiring Director shall be eligible for re-election.

### **94) SAME INDIVIDUAL MAY BE CHAIRPERSON AND MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER**

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

### **95) (a) APPOINTMENT OF ALTERNATE DIRECTOR**

The Board may appoint an Alternate Director to act for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from the India which meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Board and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the India. If the terms of office of the original Director is determined before he returns to the India, any provision in the Act or in this Article for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

#### **(a) APPOINTMENT OF SPECIAL DIRECTOR**

- (i) The Company shall, subject to the provisions of the Act, be entitled to agree with the Central or State Government, or any person, firm, corporation or authority that he or it shall have the right to appoint his or its nominees on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by authority, person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the

authority, person, firm or corporation who appointed such Special Director may, if the agreement so provides, appoint another Director in his place.

- (ii) The Special Directors, appointed under sub-clause (i) above, shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who have appointed such special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

**(c) APPOINTMENT OF DEBENTURE DIRECTORS**

Any Trust Deed for securing debentures or debenture stocks may, if so agreed, provide for the appointment, from time to time, by the Trustees thereof, or by the holders of debentures or debenture stocks, of some person to be a Director and may empower such Trustees or holder of debentures or debentures stocks, from time to time, to remove and re-appoint any Director so appointed. The Director so appointed under this Article herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

**(d) APPOINTMENT OF NOMINEE DIRECTORS**

- (i) Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to financial institutions, financing company or body or credit corporation, out of any loans granted by them to the Company or so long as the financial institution, financing company or body corporate or Credit Corporation (each of the financial institutions, financing company or body or credit corporation is hereinafter in this Article referred to as "The Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholetime or non-wholetime, (which Directors or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s in terms of the agreement executed with such Corporation/ provisions of the respective statute/ or otherwise agreed to by the Board.
- (ii) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (iii) The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- (iv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend to General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (v) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, money or remuneration in any form is payable to the Directors of the Company, the fees, commission, money and remuneration in relation to such Nominee

Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.

- (vi) Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation or as per rules and regulations/or agreement entered into with such corporation
- (vii) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such Wholetime Director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

#### **96) DIRECTORS MAY FILL VACANCIES**

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board or Directors at a meeting of the Board. Any person so appointed shall retain his office only upto the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

#### **97) APPOINTMENT OF ADDITIONAL DIRECTORS**

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board under Section 161 of the Act but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

#### **98) APPOINTMENT OF OTHER DIRECTORS**

The Board shall appoint Woman Director and Independent Director in the manner required under the provisions of Act and other applicable laws.

#### **99) APPOINTMENT OF MANAGING DIRECTOR OR MANAGING DIRECTOR(S) OR WHOLE TIME DIRECTOR OR WHOLE TIME DIRECTOR(S)**

Subject to the provisions of Section 196 / 203 and other applicable provisions of the Act and these Articles, the Board shall have power to appoint or reappoint from time to time Managing Director or Managing Directors or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss or reappoint him or them from office and appoint another or others in his or their place or places.

#### **100) REMUNERATION OF DIRECTORS**

- 1) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- 2) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined, in accordance with and subject to the provisions of the Act.
- 3) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel, sitting fees and other expenses properly incurred by them –
  - a) in attending, and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
  - b) in connection with the business of the Company

- c) Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.
- 4) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

## **PROCEEDING OF THE BOARD OF DIRECTORS**

### **101) MEETINGS OF DIRECTORS**

- (a) A meeting of the Board of Directors shall be held at least four (4) times every year and not more than 120 days shall lapse between two (2) Board meetings.
- (b) No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
- (c) If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

### **102) WHEN MEETING TO BE CONVENED**

- i) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
- ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

### **103) QUORUM**

The quorum for the Board meeting shall be as provided above.

### **104) CHAIRMAN**

The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of the Directors to be Chairperson of the meeting.

### **105) QUESTIONS AT BOARD MEETING HOW DECIDED**

Subject to provisions of the Act, questions arising at any meeting of the Board shall be decided by a simple majority of votes, and in case of equality of votes, the chairman shall have second or casting vote.

### **106) CIRCULAR RESOLUTION**

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a

meeting of the Board or Committee, duly convened and held provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any necessary papers, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

#### **107) ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING DEFECT IN APPOINTMENT**

All acts, done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

#### **108) GENERAL POWERS OF THE COMPANY VESTED IN BOARD**

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The Board shall also undertake the corporate social responsibility activities under the provisions of the Act.

The Board may at any time and from time to time by authority letter, board resolution, power of attorney or otherwise appoint any person or persons to be the authorized persons, delegates or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such periods and subject to such conditions as the Board may from time to time think fit, and may contain powers enabling such authorized persons, delegates or attorneys as aforesaid to sub-delegate/authorise all or any of the powers, authorities and discretions for the time being vested in them.

#### **109) BORROWING POWERS**

Subject to the provisions of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow money from time to time including but not limited to fund based and non-fund based credit facilities from Bankers and other eligible lenders, loans, fixed deposits etc. for the purpose of the business of the Company to be secured in such manner and upon such terms and conditions as the Board of Directors may think fit.

#### **110) ISSUE OF DEBENTURES**

The Board has power to issue debentures of various kinds from time to time.

The Board may, from time to time, at its discretion raise for the purpose of the Company's business such of money as they think fit. The Board may raise any such sums as aforesaid by the issue, at such price as it may think fit, of debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Board may think expedient.

#### **111) DELEGATE POWERS**

Subject to the provisions of the Act including Section 179, as applicable, the Board may, from time to time, and at any time, delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than its power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

#### **112) BOARD MAY APPOINT COMMITTEES**

- i) The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated confirm to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.
- ii) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

#### **113) CHAIRMAN OF COMMITTEE OF DIRECTORS**

- i) Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
- ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

#### **114) FUNCTIONING OF THE COMMITTEE**

- 1) A Committee may meet and adjourn as it thinks fit.
- 2) Questions arising at any meeting of a Committee shall be determined by a simple majority of votes of the members present.
- 3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

#### **115) CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act;

- i) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
- ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

The Board shall have the power to appoint an individual as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

A whole time director / chief financial officer / company secretary of the Company are severally authorised to sign any document or proceeding requiring authentication by the Company or any contract made by or on behalf of the Company.



Any provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **116) STATUTORY REGISTERS**

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board shall have a power to refuse inspection to any other person, at its discretion.

#### **117) FOREIGN REGISTERS**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such Articles as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

#### **118) DIVIDENDS AND RESERVE**

- i. Company in general meeting may declare dividends.

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

- ii. Interim dividends

Subject to the provisions of the Act, the Board may from time-to-time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

- iii. Dividends only to be paid out of profits

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time-to-time, think fit.

- iv. Carry forward of profits

The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

- v. Payments in Advance

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

- vi. Dividends to be Apportioned

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share

is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

- vii. No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

- viii. Retention of dividends

The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

- ix. Dividend how Remitted

A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

- x. Discharge to Company

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

- xi. Receipt of one holder sufficient

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

- xii. No interest on Dividends

No dividend shall bear interest against the Company.

- xiii. Waiver of Dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

## **119) Winding up**

The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

## **120) Accounts**

Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that

other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

The Board shall be entitled from time to time to determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors. Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board.

All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.

The books of accounts of the Company relating to past periods shall be preserved in good order in compliance with applicable laws.

## **121) Unpaid or unclaimed dividend**

Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "unpaid dividend account". No unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. "investors education and protection fund".

## **122) INDEMNITY AND INSURANCE**

### **1) Directors and officers right to indemnity**

- (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in anyway in the discharge of his duties in such capacity except such suits, proceedings, cost, charges, losses, damage and expenses, if any, that such director, manager, company secretary and officer shall incur or sustain, by or through his own willful neglect or default.
- (b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the gross negligence, willful misconduct or bad faith acts or omissions of such director, managing director, manager, chief executive officer, chief financial officer, company secretary or officer.

### **2) Insurance**

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former Directors and key managerial personnel for indemnifying all or any of them against any

liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

### **123) CAPITALISATION**

1) The Company in General Meeting by Ordinary Resolution may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the Profit and Loss Account or otherwise available for distribution;

And

- (b) that such sum be accordingly set free for distribution in the manner specified in clause no. 2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause no. 3 either in or towards :-

- (a) paying up any amount for the time being unpaid on any shares held by such members respectively;
- (b) paying up in full un-issued shares of the Company to the allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).

(3) A share premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid Bonus Shares.

(4) the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

(5) Any agreement made under such authority shall be effective and binding on such members.

### **124) SECRECY CLAUSE**

Every director, manager, auditor, secretary, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required, by the Director, before and any time after entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions, operations, business and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law.

### **125) NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION**

No member or other person (not being a Director) shall, without the prior written permission of the Chairperson of the Company or Managing Director be entitled to visit or inspect any property or premises of the Company or to require discovery of or any information respecting any detail of the Company's trading, operation or business, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Chairperson/Managing Director, it would be inexpedient in the interest of the Company to disclose.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at <https://ajcjewel.com/>, and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/ Issue Closing Date).

#### MATERIAL CONTRACTS

1. Issue Agreement dated September 24, 2024 and addendum to Issue Agreement dated April 22, 2025 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated September 24, 2024 and addendum to Registrar Agreement dated April 07, 2025 between our Company and the Registrar to the Issue.
3. Banker to the Issue agreement dated [●] between our Company, Book Running Lead Manager, Registrar to the Issue and Public Issue Bank/refund Bank/Sponsor bank.
4. Market Making Agreement dated November 08, 2024 and addendum to Market Making Agreement dated [●] between our Company and the Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated November 08, 2024 and addendum to Underwriting Agreement dated April 07, 2025 between our Company and Book Running Lead Manager and the Underwriter.
6. Syndicate Agreement dated [●] amongst our Company, the Book Running Lead Manager, and Syndicate Members.
7. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated June 13, 2024.
8. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated July 24, 2024.

#### MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated March 23, 2018, issued under the name “*Pheonix Gold Castings Private Limited*”, issued by Deputy Registrar of Companies, For and on behalf of the Jurisdictional Registrar of Companies, Central Registration Centre and copy of Certificate of Incorporation dated May 14, 2020 issued consequent to the name change from “*Pheonix Gold Castings Private Limited*” to “*AJC Jewel Manufacturers Private Limited*” issued by Registrar of Companies – Ernakulam.
3. Copy of Fresh Certificate of Incorporation dated September 24, 2024, issued by Centralised Processing Centre, consequent to name change from “*AJC Jewel Manufacturers Private Limited*” to “*AJC Jewel Manufacturers Limited*” pursuant to the conversion of our Company into a Public Limited Company.
4. Resolution of the Board of Directors dated September 24, 2024 in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on September 25, 2024 in relation to the Issue.
6. Examination report for Restated Financial Statements dated April 15, 2025 from our Peer Review Auditor included in this Draft Red Herring Prospectus.
7. The Statement of Possible Tax Benefits dated April 15, 2025 from our Peer Review Auditor included in this Draft Red Herring Prospectus.

8. Copies of Audited Financial Statements of the Company for the period ended December 31, 2024 and financial year ended March 31, 2024, 2023, and 2022.
9. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor, Chartered Engineer, Peer Review Auditor, Practicing Company Secretary, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Syndicate Member, Underwriter and Market Maker to act in their respective capacities.
10. Certificate dated January 17, 2025 from Peak Builders & Consultants executed by Ms. Shajitha A.P., an independent chartered engineer, for certifying capacity utilization.
11. Certificate dated April 22, 2025 from Gopimohan Satheesan & Associates LLP, Practicing Company Secretaries, with respect to their search report in relation to certain corporate records of the Company.
12. Certificate on KPI's issued by M/s Vinay Bhushan & Associates, Chartered Accountants, by way of their certificate dated April 15, 2025.
13. Board Resolution dated May 07, 2025 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus, dated [●] for approval of Prospectus.
14. Due Diligence Certificate dated [●] along with the site visit report by the Book Running Lead Manager.
15. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

|   |  |
|---|--|
| Sd/-<br><b>Mr. Ashraf P</b><br>Chairman & Managing Director<br><b>DIN: 08094239</b>                     | Sd/-<br><b>Mr. Mohamedali Cheruparambil</b><br>Whole Time Director<br><b>DIN: 10668023</b>     |
| Sd/-<br><b>Ms. Fathima Jasna Kottekattu</b><br>Executive Director<br><b>DIN: 10691112</b>               | Sd/-<br><b>Mr. Afnas</b><br>Non-Executive Independent Director<br><b>DIN: 10597831</b>         |
| Sd/-<br><b>Mr. Anoop V</b><br>Non-Executive Independent Director<br><b>DIN: 10691111</b>                | Sd/-<br><b>Mr. Ganesh Ramani</b><br>Non-Executive Independent Director<br><b>DIN: 10792685</b> |
| Sd/-<br><b>Mr. Thajudheen Valakkundil</b><br>Non-Executive Independent Director<br><b>DIN: 08789363</b> |  |

### SIGNED BY THE CFO AND CS OF OUR COMPANY

|  |   |
|--|---|
| Sd/-<br><b>Mr. Mahesh K V</b><br>Chief Financial Officer | Sd/-<br><b>Ms. Reshmi N K</b><br>Company Secretary and Compliance Officer |
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**Date:** May 07, 2025

**Place:** Malappuram, Kerala