



# Ravel

RAVELCARE LIMITED

CORPORATE IDENTITY NUMBER: U74999MH2018PLC317628

REGISTERED OFFICE		CONTACT PERSON		EMAIL AND TELEPHONE	WEBSITE
Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad, Mumbai - 400064, Maharashtra, India.		Ms. Pragya Lalwani (Company Secretary and Compliance officer)		Email Id: <a href="mailto:pragya@ravelcare.com">pragya@ravelcare.com</a> Tel. No: +91 87792 06822	<a href="http://www.ravelcare.com/">www.ravelcare.com/</a>
<b>PROMOTER OF OUR COMPANY: AYUSH MAHESH VARMA</b>					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE (in ₹ lakhs)	OFFER FOR SALE	TOTAL ISSUE SIZE (in ₹ lakhs)	ELIGIBILITY AND SHARE RESERVATION AMONGST QIBS, NIIS AND RIIS	
Fresh Issue	Upto 20,00,000 Equity Shares aggregating up to ₹ [●] lakhs	N.A.	₹ [●] lakhs	The issue is being made in terms of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 through Book Building Process in accordance with Regulation 229 (1) and 253(1) of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures - Eligibility of the Issue" on page 199. For details in relation to share reservation among QIBs, NIIs and RIIs, see "Issue Structure" on page 217.	
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISK IN RELATION TO THE FIRST ISSUE					
The face value of the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager in accordance with 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 chapter titled "Basis of Issue" beginning on page 77 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL RISKS					
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue including the risks involved. The Equity Shares issued in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on 25 of this Draft Red Herring Prospectus.					
COMPANY'S ABSOLUTE RESPONSIBILITY					
The 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 this Draft Red Herring Prospectus are proposed to be listed on EMERGE platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received "in-principle" approval letter [●] dated [●] from [●] for using its name in the Red Herring Prospectus for listing of our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be the NSE EMERGE.					
BOOK RUNNING LEAD MANAGER TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
 MARWADI CHANDARANA GROUP		Janil Jain/ Radhika Maheshwari		Email: <a href="mailto:mb@marwadichandarana.com">mb@marwadichandarana.com</a> Tel. No: +91 022 6912 0027	
Marwadi Chandarana Intermediaries Brokers Private Limited					
REGISTRAR TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
 KFin Technologies Limited		M. Murali Krishna		Email: <a href="mailto:ravelcare.ipo@kfintech.com">ravelcare.ipo@kfintech.com</a> Tel. No: +91 40 6716 2222	
BID / ISSUE PERIOD					
ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]		BID / ISSUE OPENS ON: [●]		BID / ISSUE CLOSES ON**: [●]#	

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

\*\* Our Company, in consultation with the BRLMs, may decide to close 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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# Ravel

RAVELCARE LIMITED

CORPORATE IDENTITY NUMBER: U74999MH2018PLC317628

Our company was originally incorporated and registered as a private limited company under Companies Act, 2013 in the name and style of "Ravelcare Private Limited" vide certificate of incorporation dated November 29, 2018 issued by the Registrar of Companies, Central Registration Centre. Pursuant to a resolution of our Board dated March 22, 2024 and a resolution of our shareholders dated March 27, 2024, our Company was converted into a public limited company under the Companies Act, and consequently the name of our company was changed to "Ravelcare Limited", and a fresh certificate of incorporation dated June 14, 2024 issued by Registrar of Companies, Central Processing Centre.

Registered Office: Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West, Mumbai – 400064 Maharashtra, India

Website: <https://www.ravelcare.com> E-Mail: [pragya@ravelcare.com](mailto:pragya@ravelcare.com) Tel. No: +91 87792 06822 Facsimile: N.A.

Company Secretary and Compliance Officer: Pragya Lalwani

PROMOTER OF OUR COMPANY: AYUSH MAHESH VARMA

INITIAL PUBLIC OFFER OF UPTO 20,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF RAVELCARE LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID- UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MARATHI EDITION OF [●], REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO [●] ("[●]") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank, as applicable.

The issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the issue through the ASBA process. For details, see "Issue Procedure" beginning on page 220 of this Draft Red Herring Prospectus.

## ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 220 of this Draft Red Herring Prospectus.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with 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 chapter titled "Basis of Issue" beginning on Page 77 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

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

## COMPANY'S ABSOLUTE RESPONSIBILITY

The 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 this Draft Red Herring Prospectus are proposed to be listed on EMERGE Platform of NSE in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received "in-principle" approval letter dated [●] from [●] for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on the EMERGE SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be the NSE EMERGE.

## BOOK RUNNING LEAD MANAGER

**Marwadi Chandarana Intermediaries Brokers Private Limited**  
SEBI Registration Number: INM000013165  
Address: X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India  
Telephone: +91 022 6912 0027, Email Id: [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)  
Investors Grievance Id: [mgrievances@marwadichandarana.com](mailto:mgrievances@marwadichandarana.com)  
Website: [ib.marwadichandaranagroup.com](http://ib.marwadichandaranagroup.com)  
Contact Person: Janil Jain/Radhika Maheshwari  
CIN: U67120GJ2018PTC103598

## REGISTRAR TO THE ISSUE

**Kfin Technologies Limited**  
SEBI Registration Number: INR000000221  
Address: Selenium Tower-B, Plot No. 31, and 32, Financial District Nanakramguda, Serilingampally, Hyderabad- 500 032, Telangana, India.  
Telephone: +91 40 6716 2222, Email Id: [ravelcare.ipo@kfintech.com](mailto:ravelcare.ipo@kfintech.com)  
Investors Grievance Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)  
Contact Person: M. Murali Krishna  
CIN: L72400TG2017PLC117649

## ISSUE PROGRAMME\*

ANCHOR PORTION ISSUE OPENS/CLOSES ON\*: [●] BID / ISSUE OPENS ON: [●] BID / ISSUE CLOSES ON\*\*: [●]#

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

\*\* Our Company, in consultation with the BRLMs, may decide to close 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 legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Red Herring Prospectus and Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms used in the sections “Industry Overview”, “Key Industry Regulations”, “Statement of Special Tax Benefits”, “Financial Information of the Company”, “Basis for Issue Price”, “Outstanding Litigation and Material Developments” and “Main Provisions of the Articles of Association of our Company” beginning on pages 86, 117, 82, 146, 77, 191 and 252 respectively, of this DRHP shall have the meaning ascribed to them in the relevant section.*

#### **GENERAL TERMS**

<b>Term</b>	<b>Description</b>
“Ravelcare Limited”, “Our Company”, “the Company”, “the Issuer”	Ravelcare Limited (formerly known as Ravelcare Private Limited), a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad, Mumbai - 400064, Maharashtra, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

#### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA /Articles of Association / Articles	The Articles of Association of or Company, as amended, from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Audit Committee</i> ” on page 135 of this DRHP.
Auditor / Statutory Auditor	M/s Ratan Chandak & Co., Chartered Accountants (FRN: 108696W) having their office at 1701, Haware Infotech Park, Sector 30A, Vashi, Navi Mumbai - 400 705, Maharashtra, India.
Bankers to our company	ICICI Bank Limited.
Board of Directors/ the Board/ our Board	Board of directors of our Company, as described in section “ <i>Our Management</i> ”, beginning on page 129 of this DRHP.
Chief Financial Officer/CFO	Chief Financial Officer of our Company is Sagar Doshi. For details, see “ <i>Our Management</i> ” on page 129 of this DRHP.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being, Pragya Lalwani. For details, see “ <i>Our Management</i> ” beginning on page 129 of this DRHP
Companies Act	The Companies Act, 1956/2013 as amended from time to time
CIN	Corporate Identification Number of our company i.e., U74999MH2018PLC317628
Director(s)	Directors on our Board as described in “ <i>Our Management</i> ”, beginning on page 129 of this DRHP.
DIN	Director Identification Number

Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Executive Directors	Executive Directors of our Company as appointed from time to time.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by the Board of the Issuer as disclosed in “ <i>Our Group Companies</i> ” on page 198 of this Draft Red Herring Prospectus.
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” beginning on page 129 of this DRHP.
ISIN	International Securities Identification Number. In this case being INE0W4D01018.
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management</i> ” on page 129 of this DRHP.
Materiality Policy	The policy adopted by our Board of Directors on July 16, 2024 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, Red Herring Prospectus.
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended, from time to time
Managing Director	Managing Director of our Company being Ayush Mahesh Varma.
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 137 of this DRHP
Non-Executive Director(s)	Non-executive directors on our Board, as described in “ <i>Our Management</i> ”, beginning on page 129 of this DRHP
Promoter	The promoter of our Company being Ayush Mahesh Varma. For details, see “ <i>Our Promoter &amp; Promoter Group</i> ” on page 142 of this DRHP.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter &amp; Promoter Group</i> ” on page 142 this DRHP.
Registered Office	Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad, Mumbai - 400064, Maharashtra, India.
Restated Financial Statements/ Restated Financial Information	The Restated Financial Statements of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the financial year ended on March 31, 2024, March 31 2023 and March 31, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
RoC/Registrar of Companies	Registrar of Companies, Maharashtra at Mumbai
Shareholder(s)	Shareholders of our Company, from time to time
Senior Managerial Personnel	Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel</i> ” on page 139 of this Draft Red Herring Prospectus.
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board – Stakeholders Relationship Committee</i> ”, beginning on page 137 of this DRHP

## ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf. Abridged Prospectus is to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the issue to the successful Applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Applicant(s)/Investor	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Form	The Form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Allottee	A successful Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus and who has Bid for an amount of Rs. 200 lakhs.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus.
Banker(s) to the issue and Refund Banker	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 220 of this DRHP.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA 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 Draft Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Issue, being Marwadi Chandarana Intermediaries Brokers Private Limited.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the issue is being made.
Broker Centres	Broker Centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges.
CAN or	The Note or advice or intimation sent to each successful Applicant indicating the



<b>Term</b>	<b>Description</b>
Confirmation of Allocation Note	Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI.
Circular on Streamlining of Public Issues/ UPI Circular	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 03, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 03, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. 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 respective websites of the Stock Exchanges.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by RIBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. 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 Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-

<b>Term</b>	<b>Description</b>
	Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants 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 respective websites of the Stock Exchanges.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s identity number
Designated Market Maker	[●] 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.
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated August 01, 2024 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or 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 offered thereby and who have opened demat accounts with SEBI registered qualified depository participants
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
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 will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under 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.

<b>Term</b>	<b>Description</b>
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue	The Fresh Issue of upto 20,00,000 Equity Shares aggregating up to ₹ [●] Lakhs.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
Gross Proceeds	The issue Proceeds
IPO/ Offer/ Offer Size/ Public Offer	Initial Public Offering
Issue / Offer	The initial public offer of up to 20,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●].
Issue Agreement	The agreement dated July 29, 2024 amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price / Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders (except for the Anchor Investors) in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.  The issue price will be decided by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
Issue Proceeds	The proceeds of the issue shall be available to our Company. For further information about the use of the issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 70 of this DRHP
Issue Opening	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 [●].
Issue Closing	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 a 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 [●]
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated [●]
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;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹

Term	Description
	[●]
Net Proceeds	The proceeds from the issue less the issue related expenses applicable to the Issue. For further information about use of the issue Proceeds and the issue expenses, see “ <i>Objects of the Issue</i> ” on page 70 of this DRHP.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Investors/ Non-Institutional Bidders/ NIB’s	All Applicants that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the issue being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the issue price or through such other method of allocation as may be introduced under applicable law
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer document	Includes Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the issue opening and closing dates, the size of the issue and certain other information.
Public Issue Account(s)	Account to be opened with Banker to the issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Offer Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the issue price.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the issue Price or Anchor Investor Issue Price (for Anchor Investors).
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.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular

<b>Term</b>	<b>Description</b>
	No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the issue, including any addenda or corrigenda thereto.
Registrar Agreement	The agreement dated July 23, 2024 among our Company and the Registrar to the issue in relation to the responsibilities and obligations of the Registrar to the issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Issue/ Registrar	Kfin Technologies Limited.
Retail Individual Investor(s)/ RII(s)	Individual Applicants, who have applied for the Equity Shares for an amount not more than ₹ 2,00,000 in any of the bidding options in the issue (including HUFs applying through their Karta and Eligible NRIs)
Retail Portions	Portion of the issue being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the issue price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Applications during the issue Period and withdraw their Applications until Issue Closing Date
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Refund Account	Account to be opened with a SEBI Registered Banker to the issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Reservation Portion	The portion of the issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) as updated from time to time.</p>

<b>Term</b>	<b>Description</b>
	In accordance with 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 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Syndicate” or “Members of the Syndicate”	Together, the BRLM and the Syndicate Members
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Syndicate Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, the BRLMs and the Syndicate Members, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (other than BRLMs) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, [●]
Stock Exchange	National Stock Exchange of India (NSE EMERGE)
Systemically Important Non-Banking Financial Companies	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 bidders, as proof of registration of the bid.
Underwriters	The [●] who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, (Repeal) 2021, as amended from time to time.
Underwriting Agreement	The agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 5,00,000 in the Non-Institutional Portion, and Bidding 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 ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the 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 websites 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 ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked

<b>Term</b>	<b>Description</b>
	mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the issue in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Working Days	All days on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of the issue Price; and (b) Issue Period, Term Description. The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the issue Closing Date and 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 in India in accordance with circulars issued by SEBI

## CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

<b>Term</b>	<b>Description</b>
₹ or Rs. or Rupees or INR	Indian Rupees
Adjusted EBITDA	Adjusted EBITDA is calculated as restated profit/ loss for the period/year plus tax expense, finance cost, depreciation and amortization expenses, change in fair valuation of preference shares, share based payment expenses (equity settled) and share based payment expenses (cash settled), less other income
Adjusted EBITDA Margin	Adjusted EBITDA Margin is the percentage of Adjusted EBITDA divided by revenue from operations
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CBDT	The Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI	The consolidated FDI Policy, effective from August 28, 2017, issued by the

<b>Term</b>	<b>Description</b>
Policy	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
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
CSR	Corporate Social Responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
DGFT	Directorate General of Foreign Trade
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EMERGE	The SME platform of National Stock Exchange of India Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FY	Financial Year
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
NABH	National Accreditation Board for Hospitals & Healthcare Providers
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016



<b>Term</b>	<b>Description</b>
HR	Human resource
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Ind AS or Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
KPI	Key Performance Indicators
KYC	Know your customer
“Listing Regulations” or “SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
LIBOR	London Inter-Bank Offer Rate
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NBFC	Non-Banking Financial Company
NBFC-ND-SI	Non-Banking Financial Company - Systemically Important Non-Deposit taking Company
NBFC-SI Master Directions	Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Master Direction DNBR. PD. 008/03.10.119/2016-17) dated September 1, 2016 (updated on February 17, 2020)
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of

<b>Term</b>	<b>Description</b>
	India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PIO	Person of India Origin
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Systemically Important Non-	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations

<b>Term</b>	<b>Description</b>
Banking Financial Company	
TAN	Tax deduction account number
TDS	Tax deducted at source
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USD / US\$	United States Dollars
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Willful Defaulter or Fraudulent Borrower	Willful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WTD	Whole Time Director as defined in Companies Act, 2013
Year/Calendar Year	Unless context otherwise requires, shall refer to the 12-month period ending December, 31.

#### TECHNICAL/ INDUSTRY RELATED TERMS

<b>Terms</b>	<b>Description</b>
BPC	Beauty and Personal Care
D2C	Direct-to-Customer
SPF	Sun Protection Factor
GMOs	Genetically Modified Organism
SEO	Search Engine Optimization
SKUs	Stock keeping units
PPC	Pay-Per-Click
ROI	Return on Investment
CAC	Customer Acquisition Cost
CLV	Customer Life Value
ROAS	Return on Ad Spend
Influencer	Any person including beauty, fashion or lifestyle bloggers, makeup artists or celebrities who use content to influence decision of their subscribers and followers and are identified as a unique influencer by their YouTube channel or Instagram handle.
SMS	Short Message Service
BMR	Batch Manufacturing Records
PET	PolyEthylene Terephthalate
GMV	Gross Merchandise Value
CAGR	Compounded Annual Growth Rate
CPM	Cost Per 1000 Impressions
CPI-C	Consumer Price Index - Combined
“Average Order Value” / “AOV”	GMV generated across our websites, mobile applications and physical stores divided by Orders considered for such GMV.
“Beauty and Personal Care Market (‘BPC’ Market)”	Includes products belonging to hair care, oral care, bath and shower, skin care, fragrance, make up, and men’s grooming categories; but excludes beauty and personal care appliances.

Notwithstanding the foregoing, terms in “*Industry Overview*”, “*Key Industry Regulations and Policies*”, “*Statement of Special Tax Benefits*”, “*Financial Information of the Company*”, “*Basis for Issue Price*”, “*Outstanding Litigation and Material Developments*” and “*Main Provisions of the Articles of Association of our Company*” and “*Issue Procedure*” on pages 86, 117, 82, 146, 77, 191, 252252 and 220 respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

### **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. 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.

### **Use of Financial Information**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information of the Company*” on page 146 of this Draft Red Herring Prospectus.

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, 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, Ind AS, the Indian GAAP 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.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on 25, 100 and 182 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, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

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 the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 25, 86 and 100 respectively, this Draft Red Herring Prospectus

### **Use of Industry and Market Data**

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained and derived from data provided by management of the company, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page 77 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 25 of this Draft Red Herring Prospectus.

### **Currency of Financial Presentation**

All references to:

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

Our Company has presented all numerical information in its Draft Red Herring Prospectus in “Lakhs” units or in whole numbers where the numbers have been too small to represent in lacs. One Lakh represents 1,00,000 and one million represents 10,00,000.

## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward looking statements”. These forward looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*objective*”, “*plan*”, “*propose*”, “*project*”, “*will*”, “*will continue*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. These forward looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward looking statements.

Actual results may differ materially from those suggested by forward looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- General economic and business conditions in the markets in which we operate and in the local, regional and national & international economies;
- Any change in government policies resulting in increase in taxes payable by us;
- Our ability to retain our Key Management Personnel and to attract and retain qualified personnel;
- Our ability to successfully implement our growth strategy and expansion plans, technological initiatives, and business plans for which funds are being raised through this Issue;
- Our ability to respond to technological changes;
- Changes in laws and regulations that apply to the industries in which we operate;
- Potential mergers, acquisitions restructurings and increased competition;
- Inability to successfully obtain registrations in a timely manner or at all;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- General social and political conditions in India which have an impact on our business activities or investments;
- Occurrence of Environmental Problems & Uninsured Losses;
- Any failure to raise additional financing for our Company could have an adverse effect on our business, results of operations, financial condition and cash flows;
- The performance of the financial markets in India and globally;
- Global distress due to pandemic, war or by any other reason;
- Any adverse outcome in the legal proceedings in which we are involved;
- Inability to collect receivables and default in payment from our dealers or customers could result in reduced profits and affect our cash flows.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see section “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 25, 100 and 182 respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward looking statements reflects 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. Neither our Company, our Directors, the Promoter, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoter and the Book Running Lead Manager 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 Issue.

## **SECTION II - SUMMARY OF THE DRAFT RED HERRING PROSPECTUS**

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

Our Company specializes in personalized haircare, skincare and bodycare solutions within the beauty and personal care industry. Our business model focuses on a direct-to-consumer (D2C) approach, strategically leveraging e-commerce platforms and digital channels to engage with customers directly.

Our diverse product portfolio encompasses three main categories i.e., customized haircare, skincare and bodycare each meticulously designed to cater to individual needs and preferences. Our haircare range offers a comprehensive selection of shampoos, conditioners, treatments, and styling products. Tailored to diverse hair types and concerns, our solutions enable customers to personalize their haircare routine to combat issues ranging from frizz and damage to dandruff and hair fall. Through customizable formulas and personalized recommendations, we empower individuals to achieve optimal hair health and vitality. Our skincare line features a comprehensive array of products, including cleansers, serums, moisturizers, sunscreen and targeted treatments, crafted to address specific skin concerns such as aging, acne, dryness, and sensitivity. Our offerings empower clients to tailor their skincare regimen according to their unique skin type, goals, and ingredient preferences. Our customized bodycare products encompass body wash and body lotion, contributing to nourishing, moisturizing, and rejuvenating the skin.

For further details please refer to the chapter titled “*Our Business*” beginning on page 100 of this Draft Red Herring Prospectus.

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

The Beauty & Personal Care market in India is projected to generate a revenue of US\$ 31.51 billion in 2024. This market is expected to witness an annual growth rate of 3.00% (CAGR 2024-2028). The largest segment within this market is the Personal Care segment, which is estimated to have a market volume of US\$ 14.31 billion in 2024. When compared globally, in the United States leads in terms of revenue generation, with an estimated revenue of US\$ 100 billion in 2024. In India, the per person revenue generated in the Beauty & Personal Care market is approximately US\$ 21.86 in 2024, based on the total population figures. Looking ahead, it is anticipated that online sales will contribute about 6.6% of the total revenue in the Beauty & Personal Care market by 2024.

For further details please refer to the chapter titled “*Industry Overview*” beginning on page 86 of this Draft Red Herring Prospectus.

### **C. PROMOTERS**

Mr. Ayush Mahesh Varma is the promoter of our Company. For further details, see “*Our Promoter and Promoter Group*” beginning on page 142.

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

The Issue size comprises of fresh issue of up to 20,00,000 Equity Shares of face value of ₹ 10 /- each fully paid-up of the Company for cash at price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●]. For further details, see ‘*The Issue*’ and ‘*Issue Structure*’ on pages 44 and 217, respectively:

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

The details of the proceeds from the Issue are summarized in the following table:

<b>Particulars</b>	<b>Amount (₹ in lakhs)</b>
Gross Issue Proceeds*	[●]
Less: Issue Expenses	[●]
<b>Net Issue Proceeds</b>	[●]

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

### **F. UTILISATION OF NET ISSUE PROCEEDS**

Our Company intends to utilize the net Proceeds of the issue to meet the following objects:



Sr. No.	Particulars	Amount (₹ in lakhs)	% of Net Proceeds
1.	Funding our organic growth initiatives which includes		
	a. Marketing and awareness of our brand “Ravel”	Upto 1,100.00	[●]
	b. Funding the expansion of our geographical footprint	Upto 315.00	[●]
	c. Investment into research and product development	Upto 300.00	[●]
2.	General corporate purposes*	[●]	[●]
<b>Net Issue Proceeds</b>		[●]	<b>100.00</b>

The amount to be utilized for general corporate purposes alone shall not exceed 25% of the Gross Proceeds from the Fresh Issue.

For further details, see “Objects of the Issue” beginning on page 70.

## G. PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

Our Promoter and Promoter Group collectively holds 50,02,998 Equity shares of our Company aggregating to 99.96% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoter and Promoter Group, as on date of this Draft Red Herring Prospectus:

Sr. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
<b>(A) Promoter</b>					
1.	Ayush Mahesh Varma	44,00,000	87.91	[●]	[●]
<b>Total (A)</b>		<b>44,00,000</b>	<b>87.91</b>	[●]	[●]
<b>(B) Promoter Group</b>					
1.	Maheshkumar Ramchandra Varma	2,01,001	4.02	[●]	[●]
2.	Kritika Aggarwal	2,01,001	4.02	[●]	[●]
3.	Anita Mahesh Varma	1,99,995	3.99	[●]	[●]
4.	Jyoti Aggarwal	1,001	0.02	[●]	[●]
<b>Total (B)</b>		<b>6,02,998</b>	<b>12.05</b>	[●]	[●]
<b>Total (A+B)</b>		<b>50,02,998</b>	<b>99.96</b>	[●]	[●]

For further details, see ‘Capital Structure’ beginning on page 60.

## H. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated standalone financial statements for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in lakhs except otherwise)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	0.50	0.50	0.50
Net Worth	525.78	16.25	(40.01)
Total Income	2,227.88	349.37	78.86
Profit after tax	509.54	56.26	(28.19)
Earnings per Share (Basic and Diluted)	0.20	0.02	(0.02)
Net Asset Value Per Share (₹)	10.51	0.32	(0.80)
Short Term Borrowing	3.81	40.53	41.66
Total Borrowing (including short term and long-term borrowing)	3.81	40.53	41.66

For further details, see “Other Financial Information” on page 180.

## I. AUDITOR QUALIFICATIONS

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

## J. SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoter and Directors are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Draft Red Herring Prospectus are as follows:

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 (Rs in Lakhs)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	1	-	-	-	1.83
<b>Promoter</b>						
By Promoter	-	-	-	-	-	-
Against Promoter	-	-	-	-	-	-

There are outstanding legal proceedings involving our Company, our Directors and our Promoter. For details, see “*Outstanding Litigation and Material Developments*” beginning on Page No. 191 and *Other Financial Information*” on page 180 of this Draft Red Herring Prospectus.

## K. RISK FACTORS

Specific attention of the investors is invited to the section “*Risk Factors*” on page 25.

## L. SUMMARY OF CONTINGENT LIABILITIES

As on the date of this DRHP, there are no contingent liabilities and commitments of the company.

## M. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022:

### a. Names of the related party and nature of relationship where control/significant influence exists Directors and Key management personnel (KMP) and their relatives (if any)

Name of the related party	Nature of relationship
Anita Mahesh Varma	Relative of Director
Ayush Mahesh Varma	Director
Maheshkumar Ramchandra Varma	Director

### b. Details of transactions with related parties and balances

(Rs. In Lakhs)

Name of Party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Ayush Mahesh Varma	Loan from Director Repaid	36.72	1.13	-
Ayush Mahesh Varma	Imprest	6.49	-	-

Anita Mahesh Varma	Salary to Employee	9.00	-	-
Ayush Mahesh Varma	Director Remuneration	34.50	15.00	-
Ayush Mahesh Varma	Credit Card-Liabilities	223.11	-	-
Maheshkumar Ramchandra Varma	Credit Card-Liabilities	229.84	-	-

(Rs. In Lakhs)

Name of Party	Receivable/ Payable	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Anita Mahesh Varma	Advance to Employee	0.42	-	-
Ayush Mahesh Varma	Other Current Liability – Imprest	0.29	-	-
Ayush Mahesh Varma	Loan From Director	3.81	40.53	-
Ayush Mahesh Varma	Credit Card-Liabilities	3.76	-	-
Maheshkumar Ramchandra Varma	Credit Card-Liabilities	1.11	-	-

For further details, please refer to the Related Party Disclosures of chapter titled “Financial Information of the Company” on Page No. 146 of this Draft Red Herring Prospectus.

#### N. DETAILS OF FINANCING ARRANGEMENTS

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

#### O. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTER IN LAST ONE YEAR

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

Name of the Promoter	Total No. of Equity Shares	Weighted Average cost of acquisition (Rs.) per shares*
Ayush Mahesh Varma	49,94,000	Nil

\*As Certified by Ratan Chandak and Co., Chartered Accountants dated July 29, 2024.

#### P. AVERAGE COST OF ACQUISITION OF SHARES

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

Name of Promoter	Total No. of Equity Shares	Average cost of acquisition (Rs.) per shares*
Ayush Mahesh Varma	44,00,000	0.01

\*As Certified by Ratan Chandak and Co., Chartered Accountants dated July 29, 2024.

#### Q. PRE-IPO PLACEMENT

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

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

Except as stated below, our Company has not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Nature of Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Reason for allotment and Benefits accrued to our Company
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July 16, 2024	Bonus Issue	50,00,000	10	NA	Capitalization of Reserves and Surplus
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**S. SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Our company has not undertaken any split/consolidation/subdivision of equity shares of the Company since incorporation.

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

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

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

*An investment in our Equity Shares involves a high degree of risk. Prospective Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 100, 146 and 182 respectively of this DRHP, as well as the other financial and statistical information contained in this DRHP. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This DRHP also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this DRHP. For further information, please refer to section titled “Forward-Looking Statements” beginning 18 of this DRHP.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this DRHP. For further information, please refer “Restated Financial Statements” on 146 of this DRHP. We have, in this DRHP, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this DRHP.*

#### **Materiality**

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

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

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

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

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

## INTERNAL RISK FACTORS

1. *There are certain pending legal proceeding involving Director of our Company. Any adverse outcome on such proceeding may affect our business, financial condition and reputation.*

There are outstanding legal proceeding against our Director, which is pending at various levels of adjudication before various courts, tribunals and other authorities. The summary of outstanding matters set out below includes details of the above proceedings.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	1	-	-	-	1.83
<b>Promoter*</b>						
By Promoter	-	-	-	-	-	-
Against Promoter	-	-	-	-	-	-

\*Our Promoter is also the director of the Company. Hence litigations against him have not been included under the heading of director to avoid repetition.

As on date of this DRHP there are no criminal cases pending against our promoter. For further details, refer to the chapter titled “*Outstanding Litigations and Material Developments*” on page 191 of this Draft Red Herring Prospectus.

2. *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 Directors, and Promoter as at the date of this Draft Red Herring Prospectus.

### Cases against our Director and / or Promoter

Nature of Cases	No. of Outstanding Cases	Amount involved (Rs. In Lakhs)
Criminal Complaints	-	-
Statutory/ Regulatory Authorities	-	-
Taxation Matters	1	1.83
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 191 of this Draft Red Herring Prospectus.

**3. *Our Company has faced losses in the past.***

Our Company recorded a financial loss in the financial year ending 2022, amounting to Rs. (28.19) Lakhs. While this represents a specific challenge within that fiscal year, it is essential to view this event in the context of our overall operational and financial strategy. To gain a deeper understanding of the circumstances leading to this loss and the measures taken thereafter to return to profitability, we encourage stakeholders to refer to the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 182 of our report. This section provides a comprehensive analysis of the factors influencing our financial performance during that period, along with insights into how these challenges were addressed in subsequent fiscal years.

**4. *Our Company is dependent on few suppliers for purchase of products. Loss of any of these large suppliers may affect our business operations.***

We cannot assure that we will be able to get the same quantity and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue to seek new suppliers for our product for better quality and price 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 suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time. For details, see “*Our Business*” on page 100 of this Draft Red Herring Prospectus.

**5. *We do not own our Registered Office from where our operations are being conducted and have been taken on lease. Any difficulty in seeking renewal or extension of such lease terms may cause disruption in our operations.***

Our Registered Office premise is situated Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West, Mumbai – 400064, Maharashtra, India is not owned by us. Our Company has entered into rent agreement with third party for the usage of the said premises. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable /favourable terms in future. For further details, see section “*Our Business*” on page 100 of this draft red herring prospectus. If we are required to vacate the current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**6. *There have been some instances of delay in filing of statutory and regulatory dues in the past with the various government authorities.***

In the past, there have been certain instances of delay in statutory & regulatory dues with respect to Profession Tax. The Profession Tax payment was initially missed due to a lack of understanding and knowledge of its applicability. However, the oversight was later rectified. As a result, the Company has made a delayed payment of Profession Tax on June 21, 2024. There can be no assurance that delay or default with respect to payment of statutory and regulatory dues will not occur in the future which in turn may affect our reputation and financial results. For further details, please see chapters titled “*Restated Financial Statements – Annexure IV – Note No. 9.2 and 9.3 to Restated Financial Statements*” at page 148 of this Draft Red Herring Prospectus.

**7. *We have historically not complied with Employee State Insurance (ESI) Regulations.***

The Company previously failed to register for Employee State Insurance (ESI) at a time when it was applicable due to a lack of understanding and knowledge of its applicability. Although the Company has rectified this by obtaining ESI registration and has been regularly paying the dues since June 2024. Further, the Company has also made provisions for the same in the books of accounts. However, there remains an unresolved issue concerning the non-payment of ESI dues for the preceding periods.

While no show cause notice has been issued to date, there is a risk of future penalties being imposed by the relevant authorities for this historical non-compliance. Such penalties might include fines or other legal sanctions, which could impact the Company's financial position and reputation.

**8. *Our dependence on third-party manufacturer for all our products subjects us to risks, which, if realized, could adversely affect our business, results of operations, cash flows and financial condition.***

We outsource the manufacturing of all our products to third-party manufacturer, and we do not own any manufacturing facilities. Our reliance on third-party manufacturer subjects us to various risks, including:

- dependence on relationships with third party manufacturer, particularly for continuity of supply of products to us;
- changes in cost of acquisition of our products from such manufacturer which would directly affect our profit margins and selling prices of our products;
- potential liability for incidents, including injuries to our contract manufacturers' employees, at manufacturing sites that we do not control;
- despite quality control exercised by our executives stationed at respective contract manufacturer facilities, there is dependence on quality control systems and processes of such manufacturer.
- reliance on agreements with such manufacturer and the periodic expiry (current term is five years) of such agreements. We may be unable to replace our existing contract manufacturer at short notice, or at all, and may face delays in production and added costs as a result of the time required for new contract manufacturer/s to undertake manufacturing in accordance with our standard processes and quality control standards;
- dependence on third party manufacturing facilities, which are subject to customary operational risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, unavailability of consumables and spare parts, labour disputes, natural or man-made disasters, accidents, planned or unplanned shutdowns, and compliance with relevant government regulations;
- protection of our trade secrets and intellectual property rights;
- failure to comply with various product-related regulations and laws in India, including those related to the product registration, product ingredients, health and safety, manufacturing standards, labelling declaration standards, environmental and waste management including plastic generation and management, public disclosure, product testing and storage;
- compliance with the evolving regulatory and policy environment in which we operate;
- adverse changes in the financial or business condition of our contract manufacturer; and
- misappropriation of our intellectual property and delays in delivery and shipment;

Our dependence on third party manufacturer could adversely affect our business, results of operations, cash flows and financial condition, as a result of occurrence of factors mentioned above or violation of terms of engagement by such manufacturer.

Our contract manufacturer does not manufacture products exclusively for us and accordingly, may choose to manufacture products for other parties, including our competitors, at any time, which may lead to conflicts of interest that exacerbate the risks mentioned above. In addition, they may manufacture products identical to ours by making use of the formulations supplied by us, and we may not be able to prevent the same, in the absence of adequate intellectual property protections, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

**9. *We are significantly dependent on our Website and Digital Media Marketing for the sale of our products.***

Our Company has historically relied on, and continues to depend heavily upon, our website and digital media marketing for our business operations. This reliance places us in a position where our ability to negotiate effectively with these platforms is limited. Any changes in the existing terms and conditions, pricing structures, or policies of these digital marketing channels could have a direct and adverse impact on our profitability.

The e-commerce ecosystem and digital marketing landscapes are dynamic and subject to frequent changes, often driven by market trends, technological advancements, and regulatory updates. Given our dependency, shifts in these areas such as increased reach, altered algorithms that affect visibility, changes in user data policies, or new advertising regulations could significantly affect our sales, marketing effectiveness, and overall revenue.

Our limited negotiating power with these large platforms means that we may have to accept terms that are less



favourable to our business. Such scenarios could lead to increased operational costs, reduced margins, and ultimately, a potential decrease in profitability.

***10. We may be subject to product liability claims from our customers. Any claims arising from such liabilities may harm our reputation, require us to incur substantial costs and/or have an adverse impact on our business, financial conditions and results of operations.***

We are subject to product liability claims with respect to quality and defects in our products. We will be required to comply with certain quality standards for the products we supply to the customers. In case we are unable to provide the prescribed quality standard products, we may lose our customers which could result in substantial business losses. Defects, if any, in our products could lead to rejection of supplied products and consequential replacement liability. However, we have not experienced any product liability claims with respect to quality and defects in our products in the past, which had material impact on the financial and result of operations of our Company. In the event, our Company fails to maintain the quality of its products or if there is any major defect in our products in future, we could be made liable to the customers and the same could consequently lead to a negative publicity against our Company thereby affecting our brand value, reputation, business, results of operations and financial condition. Management resources could also be diverted away from our business towards defending such claims. In the event, there are any liabilities arising from such claims, our business, financial performance and results of operations may be adversely affected. We cannot assure you that no such claims will be brought against us in the future or that such claims will be settled in our favour. Any such successful claims against us could adversely affect our business, financial condition and results of operations.

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

The beauty and personal care (“BPC”) products market are characterized by frequent changes, particularly in consumer preferences, new products and product variations. The popularity and demand of BPC products may vary over time due to changing consumer preferences, including those relating to sustainability and ‘clean’ beauty factors such as recycling plastic, methods of production, ingredients and testing and support for cruelty-free and eco-friendly products. Consumer preferences in the BPC market are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. Our continued success depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in consumer preferences for our products, as well as to where and how consumers shop for those products.

We continually work to enhance the recognition of our brand and products and refine our approach as to how, when and where we market and sell our products using data and technology. While we aim to introduce new products from time to time, we recognize that consumer preferences cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be commercially viable or effective or accepted by our consumers. For further details, see “*The launch of new products that prove to be unsuccessful could affect our growth plans which could adversely affect our business, financial condition, cash flows and results of operations.*” on page 33 of this DRHP. If we are unable to foresee or respond effectively to the changes in market conditions, new and changing trends or desired consumer preferences, accurately anticipate and forecast demand for products, then there may be a decline in the demand and sales for our products, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

***12. 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 endeavor 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 195195 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.

***13. Our Promoter will continue to retain significant shareholding in us after this Issue, which will allow them to exercise significant influence over us and any substantial change in our Promoter’s shareholding may have an impact on the trading price of our Equity Shares which could have an adverse effect on our business, financial condition, results of operations and cash flows.***

Following the completion of the Issue, our Promoter will continue to hold a significant percentage of our Equity Share capital. Our Promoter will, therefore, be able to control the outcome of matters submitted to our Board or Shareholders for approval. After the Issue, our Promoter will continue to exercise significant control or influence over our business and major policy decisions. The trading price of our Equity Shares could be adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoter.

As at the date of this Draft Red Herring Prospectus, our Promoter holds 44,00,000 Equity Shares, or 87.91% of the issued, subscribed and paid-up Equity Share capital on a fully diluted basis. Upon completion of the issue, our Promoter will hold [●] % (subject to utilization of the Basis of Allotment) of our Equity Share capital. For details of our Equity Shares held by our Promoter, see “*Capital Structure — Capital built up in respect of shareholding of our Promoter*” on page 65 of this DRHP.

Accordingly, our Promoter will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders’ approval, this concentration of ownership also may 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 these shareholders. The interests of the Promoter as our controlling shareholders could conflict with our interests or the interests of our other shareholders.

***14. Our Promoter, Directors and Key Management Personnel may have interests other than reimbursement of expenses incurred and receipt of remuneration or benefits from our Company. Our Promoter and Directors may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us.***

Our Promoter, Directors and Key Management Personnel are interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and benefits arising therefrom. Our Promoter are also interested in us to the extent of their shareholding in us and any benefits arising therefrom. Further, our Promoter and Directors may have interest in entities to the extent of their shareholding and/or directorships, which are in businesses similar to ours and this may result in conflict of interest with us.

We have in the past entered into related party transactions and may continue to do so in the future, subject to relevant compliances under applicable laws and rules as amended, which may potentially involve conflicts of interest with the equity shareholders.

We have in the course of our business entered into transactions with related parties. For Details of the related party transactions for the Financial Years 2024, 2023 and 2022 respectively, see “*Restated Financial Statements – Notes forming part of the Restated Financial Statements– Note: 32 Related Parties*” on page no. 167.

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also,

which may affect our competitive edge. These transactions, inter-alia includes salary, remuneration, loans and advances, and interest etc. Our Company entered into such transactions at arm length price due to easy proximity and quick execution. The transaction is in compliance with the Companies Act and other applicable regulations. However, there is no assurance that we could not have secured better and more favourable terms if our Company had not engaged in such related party transactions. Our Company may enter into such transactions in future also and we cannot assure that in such an event there would be no adverse effect on results of our operations. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

**15. Our Company is in use of trademarks which has been either opposed, objected or not registered under the Trademarks Act, 1999 as on date of Draft Red Herring Prospectus. Thus, we may be subject to claims alleging breach of third-party intellectual property rights.**

We have filed an application for registration of trademark in the year 2022 under the Trademarks Act, 1999 but the same has been objected from registration citing the reason that the mark is identical with or similar to earlier marks in respect of identical or similar description of goods and because of such identity or similarity there exists a likelihood of confusion on the part of the public. Also, our trademark has not been registered under the Trade Marks Act, 1999 as on date of DRHP, hence, we do not enjoy the statutory protections accorded to a registered trademark.

Our Company is in use of the aforesaid trademark in its regular business operations. In the event if any injunctive or other adverse order is issued against us in respect of the said trademark, we may not be able to avail the legal protection and may be subject to claims alleging breach of third-party intellectual property rights, which may adversely affect our goodwill, business and results of operations. For further details on the trademarks, please refer to Chapter titled “Government and Other Approvals” beginning on page 195195 of this DRHP.

**16. Our net cash flows from operating activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	For the year ended March 31,		
	2024	2023	2022
Net cash flow from Operating activities	648.60	100.29	(41.03)
Net cash from Investing activities	(691.67)	(1.16)	0.01
Net cash from Financing activities	(43.65)	(1.13)	40.94

Any negative cash outflows from operating activities over extended periods, or significant cash outflows in the short term from investing and financing activities, could have an adverse impact on our cash flow requirements, business operations and growth plans. As a result, our cash flows, business, future financial performance and results of operations could be adversely affected. For further details, see “Management’s Discussion and Analysis of Financial Conditions and Results of Operations – Cash Flows” on page 187.

Cash flow of a company is a key indicator to show the extent of cash generated from operations 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 flow in future, it may adversely affect our business and financial operations.

**17. The average cost of acquisition of Equity Shares by our Promoter is lower than the issue price.**

Our Promoter average cost of acquisition of Equity Shares in our Company is lower than the issue Price as decided by our Company in consultation with the Book Running Lead Managers. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, refer chapter title “Capital Structure” on page 60.

**18. We have issued Equity Shares during the last one year at a price that may be below the issue Price.**

During the last one year we have issued Equity Shares at a price that may be lower than the issue Price:

Date of Allotment	Number of Equity Shares	Face Value Per Equity Share (₹)	Issue Price Per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment
July 16, 2024	50,00,000	10	Nil	Other than Cash	Bonus Issue

For further details, please refer to the chapters “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus.

**19. We have to update the registered office address of our company in some of the statutory approvals, certificates, licenses and registrations due to the change in the registered office of our Company.**

The licenses and registration which were in the name of Ravelcare Limited having its Registered office at B-721, Jaswanti Alid Business Centre, B-Wing, Rajkumar Apartments, Mumbai, Malad West – 400064 Maharashtra, India are in the process of updation to Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West – 400064, Maharashtra, India. We cannot ensure that we will be able to update the said documents in a timely manner. For more information about the licenses required in our business, please refer section “*Government and Other Statutory Approvals*” beginning on page no. 195 of this Draft Red Herring Prospectus.

**20. We require several approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of “Ravelcare Limited” from “Ravelcare Private Limited” pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.**

We require several statutory and regulatory permits, licenses, and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. For example, some of our licenses have been issued in the name of Ravelcare Private Limited and same are under process of amendment for the change of name. The details of the same are as follows:

Sr. No.	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Tax Deduction Account Number (TAN)	Income Tax Department	NGPR06164E	November 30, 2018	Valid till Cancelled
2	Professions Tax Registration Certificate (P.T.R.C.)	Professions Tax Department, Maharashtra	27692069112P	April 12, 2024	Valid till Cancelled
3	Professions Tax Enrollment Certificate (P.T.E.C.)	Professions Tax Department, Maharashtra	99264427443P	April 15, 2024	Valid till Cancelled
4	Registration under Employees State Insurance Act, 1948	Employees’ State Insurance Corporation	3500093127000 0304	May 24, 2024	Valid till Cancelled
5	Registration under Maharashtra Shops & Establishments Act, 2017	Department of Labour, Maharashtra, Mumbai	820349361/PN Ward/Commercial II	July 13, 2024	Valid till Cancelled

*Note: The above certificates are in the name of Ravelcare Private Limited, the same is yet to be applied in the name of the Ravelcare Limited and which is under process.*

Further we require to keep already obtained valid key approvals such as Tax Registrations, Shops and Establishment Act License, for running our operations in a smooth manner. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses, or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details,

please see chapters titled “*Key Industry Regulations*” and “*Government and Other Approvals*” at pages 117 and 195 respectively of this Draft Red Herring Prospectus.

***21. The improper handling, processing or storage of our products or materials (both present or future), or spoilage of and damage to such products or materials, or any real or perceived contamination in our products or materials, could subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.***

Our products and materials (both present and future) are subject to risks such as spoilage, adulteration, product labelling error and product tampering during their, transport or storage. We cannot assure you that the quality tests conducted by our suppliers will be accurate at all times. Any shortcoming in the products or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable standards. Any actual or alleged damage of our products or materials could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. However, our Company has not faced any instance of spoilage of and damage to such products or materials, which had material impact on the financial and result of operations of our Company. Any allegation relating to, or the discovery of, utilization of contaminants in our products or materials processed by us, which causes or is alleged to cause injury or illness, allegations that our products were utilized, were not produced in accordance with our customer’s specifications and/or have not performed adequately, may adversely affect our sales and may cause product liability or other legal proceedings being initiated against us by our customers, irrespective of whether such allegations have any factual basis. We cannot assure you that we will not be subject to such product liability claims in the future, whether or not legitimate, or product recalls, whether voluntary or mandatory. Defending such claims or regulatory action could be time-consuming and may also result in unexpected expenditures, and our reputation, business, financial condition, cash flows and results of operations may be adversely affected.

***22. The launch of new products that prove to be unsuccessful could affect our growth plans which could adversely affect our business, financial condition, cash flows and results of operations.***

New product introductions from time to time is a key element of our growth strategy. Various elements of new product initiatives entail significant costs and risks, as well as the possibility of unexpected consequences, including:

- acceptance of our new product initiatives by our consumers may not be as high as we anticipate;
- sale of new products may not sustain initial levels of high sales volumes;
- our marketing strategies for new products may be less effective than planned and may fail to effectively reach the targeted consumer base;
- we may incur costs exceeding our expectations;
- we may experience a decrease in sales of our existing products as a result of the introduction of related new products;
- we may need to introduce trade promotions and increase marketing expenditure to obtain traction with consumers and improve brand awareness; and
- any delays or other difficulties impacting our ability, or the ability of our third-party manufacturers and suppliers, to manufacture, distribute and ship products in a timely manner in connection with launching the new product initiatives.

We expend considerable time and financial resources in the development and launch of new products. Each of the above risks could delay or impede our ability to achieve our growth objectives, which could adversely affect our business, financial condition, cash flows and results of operations.

***23. Maintaining and enhancing our brand and product offering is critical to expanding our customer base and suppliers.***

We are expanding our product portfolio by introducing new products. However, we depend heavily on various third-party suppliers and service providers for products and logistics. The quality of these third-party products and services directly affects our brand experience and platform attractiveness. If they fail to meet our customers’ expectations, it could harm our platform and reduce customer satisfaction.

Customer complaints or negative publicity about our website, products, product delivery times, customer data handling and security practices or customer support, especially on social media and our own website, could

materially impact consumer use of the website and consumer and supplier confidence in our Company. This may have an adverse effect on our brand royalty and platform attractiveness.

***24. If we are unable to identify consumer demand accurately and maintain an optimal level of inventory, our business, results of operations, cash flows and financial condition may be adversely affected.***

The success of our business depends upon our ability to anticipate and forecast consumer demand and trends. Any error in our forecast could result in either surplus stock, which we may be unable to sell in a timely manner, or at all, or under-stocking, which will affect our ability to meet consumer demand. We plan our inventory and commence our process prior to launch and estimate our sales based on the forecasted demand. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively and to maintain a full range of products for sale through our websites and digital media platform. While we aim to avoid under-stocking and over-stocking through our technology-enabled distribution model, our estimates and forecasts may not always be accurate. If we fail to accurately forecast consumer demand, we may experience excess inventory levels or a shortage of products available for sale. Any unsold inventory may have to be sold at a discount or discarded, potentially leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations, cash flows and financial condition.

***25. We rely on our relationships with certain marketplaces and web traffic drivers for sales through our online channel.***

As part of our online sales channels, we sell products through our website and third-party e-commerce marketplaces such as Amazon and Flipkart. For financial years 2023 and 2024 our revenue from and e-commerce marketplaces amounted to Rs. 4.85 Lakhs and Rs. 91.10 Lakhs respectively, representing 1.39% and 4.12% of our revenue from operations, respectively. There were no online sales through third-party e-commerce marketplaces in the financial year 2022.

We have longstanding relationships with e-commerce marketplaces for the sale of our products and have an established presence across leading e-commerce marketplaces such as Amazon and Flipkart. Pursuant to our non-exclusive arrangements with these marketplaces, we operate an inventory based selling model for all sales made through Amazon's and Flipkart's online platforms. We cannot assure you that we will be able to secure favourable promotions and our inability to do so may affect our brand visibility and sales.

Further, purchase orders made by online marketplaces may generally also be amended or cancelled at any time prior to finalization. Online marketplaces could also change their business practices or seek to modify their contractual terms, such as payment terms or increase their focus on selling private label products that compete with our products. Further, such entities may also increase the cost of their services, due to inflationary pressures or other reasons, which may adversely impact our expenses and profitability.

***26. We are dependent on several third-party service providers to sell our products to consumer, and on third party technology providers for certain aspects of our operations. Any disruptions or inefficiencies in these operations may adversely affect our business, financial condition, cash flows and results of operations.***

As part of our online sales channel, we rely on third-party courier and logistics companies for the delivery of our products. We need to keep optimum inventory at our warehouse, including fulfilment centres in the state of Karnataka, Haryana and Maharashtra, and maintain high levels of coordination with our courier and logistics providers to ensure availability of our products in the markets. Such service providers may not be able to provide satisfactory services to us or to our consumers, which could also be due to events that are beyond our or their control, such as inclement weather, transportation disruptions or poor quality of infrastructure.

Any disruptions, delays or inefficiencies by the courier and logistics providers could adversely affect our operations and may lead to disruption of supply chain and goods, resulting in higher costs or lost sales. We may also suffer reputational damage, and our business, financial condition, cash flows and results of operations may be adversely affected. Most of these parties do not provide their service exclusively to us and may be providing the same or similar service to other parties, including our competitors.

We rely on email service providers, internet service providers, and mobile networks to deliver emails communications to consumers and to allow consumers to access our websites. If the systems of these third parties are disrupted, we could lose consumer data and miss order fulfilment deadlines, which could result in decreased

sales, increased overhead costs and product shortages. In addition, the technology infrastructure of our third-party providers may be vulnerable to damage or interruption as a result of, among others, software or hardware malfunctions, system implementations or upgrades, computer viruses, third party security breaches and other similar events. The occurrence of such events may adversely affect our business, financial condition, cash flows and results of operations.

***27. Our technology infrastructure and the technology infrastructure of our third-party providers are susceptible to security breaches and cyber-attacks.***

Our business generates, stores and processes a large quantity of personal, transactional, demographic and behavioural information and data. We may experience disruptions, failures or breaches of our technology platforms, due to the large volume of data handled. We also face risks inherent in protecting the security of such data, such as protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent utilization by our employees; addressing concerns related to privacy and sharing, safety, security and other factors; and complying with applicable laws, rules and regulations relating to the collection, use, disclosure, transfer or security of personal information, including any requests from regulatory and government authorities relating to such data. In addition, most of our data is stored, transmitted and backed up on servers not owned by us, and therefore, we cannot guarantee that there may not be unauthorized access to such data, and we may be exposed to liability in relation to such breaches. Any failure, or perceived failure, by us to comply with our posted privacy policies or with any regulatory requirements or privacy and data protection-related laws, rules and regulations could result in proceedings or actions against us by governmental entities or others, which could have an adverse effect on our results of operations, cash flows and business.

Further, although we employ resources to develop security measures against breaches, such measures may not detect or prevent all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, ransomware attacks, phishing attacks, social engineering, fraudulent emails and related payments scams, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain. Breaches of our cyber security measures could result in unauthorized access to our systems, misappropriation of information or data, unforeseen disclosure or transfer of data, deletion or modification of consumer information, or a denial of service or other interruption to our business operations. As some of our data are not end-to-end encrypted, this may pose a greater risk of cyber security breach. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, we may be unable to anticipate, or implement adequate measures to protect against, these attacks.

We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. Cyber-attacks may target us, the participants on our websites, or the communication infrastructure on which we depend. We may in the future be, exposed to vulnerabilities in our systems and to cyber-attacks.

***28. We are subject to payment-related risks, including risks associated with cash on delivery and payment processing risks.***

We accept payments using a variety of methods, including credit and debit cards, digital wallets, UPI, money transfers, and cash on delivery. Cash on delivery is a preferred method of payment for online purchases in India. Although the share of the prepaid orders on our websites has increased over prior periods we are still subject to the risk that cash collected from consumers may be misappropriated. We are subject to the risk of fraudulent activity associated with cash on delivery, such as payment of purchases with counterfeit currency. In addition, if a consumer does not pay the amount due, the purchase will be returned to us, which does not contribute to our revenue. We also absorb the costs of return shipping fees. Increases in the returns of our products may increase our operating costs. For certain payment methods, including credit and debit cards, we pay bank interchange and other fees, although we may receive cashback on certain transactions. These fees may increase over time, which would increase our operating costs. We use various third parties and payment gateways to provide payment processing services, including the processing of credit and debit cards. The suspension or termination of such payment gateways may disrupt our sales and business operations.

We are required to comply with payment card network operating rules, which are set and interpreted by the payment card networks for the third-party payment processors. The payment card networks could adopt new operating rules or interpret or re-interpret existing rules, as revised by regulatory bodies such as the Reserve Bank of India (“RBI”) from time to time, in ways that might prohibit us from providing certain services to some consumers, be costly to implement, or difficult to follow. Failure to comply with such rules may render us liable

for fines, indemnities or higher transaction fees, or result in us losing our ability to accept credit and debit card payments or other types of online payments. Occurrences of such events could adversely affect our business, financial condition, cash flows and results of operations.

***29. Our business depends on our ability to maintain and scale our technology. Any interruptions or delays in service on our websites or any undetected errors or design faults could result in limited capacity, reduced demand, processing delays, and loss of consumers, suppliers or sellers.***

A key element of our growth strategies is to continue to acquire new consumers through brand awareness and enhanced consumer engagement, and generate a high volume of traffic on the digital platforms we offer. Our reputation and ability to attract, retain and serve our consumers depend upon the reliable performance of our website, ecommerce marketplaces and the underlying network infrastructure. We may experience interruptions in the future, which may adversely affect our business, financial condition, cash flows and results of operations.

As our consumer base and the amount of information shared on our website continue to grow, we will need an increasing amount of network capacity and computing power. We have spent and expect to continue to spend substantial amounts on our technology infrastructure to handle the traffic on our website. The operation of these systems is complex and could result in operational failures. If the volume of traffic of our consumers exceeds the capacity of our technology infrastructure or if our consumer base or the amount of traffic on our website, grows more quickly than anticipated, we may be required to incur additional costs to enhance our underlying technology infrastructure.

The volume of traffic and activity on our website spikes on certain days, such as during our sales periods, and any such interruption would be particularly problematic if it were to occur at a time of high volume. Any interruption or inadequacy that causes performance issues or interruptions in the availability of our websites could reduce consumer satisfaction and result in a reduction in the number of consumers purchasing our products and services, adversely affecting our business and financial position.

***30. Our business depends upon the user utilization, growth of e-commerce industry in India and continued acceptance of digital platforms.***

Factors applicable to our industry that might prevent potential consumers from purchasing products from direct to consumer platforms such as our website or e-commerce platforms through which we sell our products include:

- concerns about delayed shipments or the inconvenience and cost of returning or exchanging items purchased online;
- concerns about the security of online transactions and the privacy of personal information; and
- usability, functionality and features of online platforms.

Our revenues depend substantially on the receptiveness of Indian consumers to the internet as a way to conduct commerce, purchase goods and services, and carry out financial transactions. If the online commerce industry in India and in particular the online market for beauty and personal care products does not further develop and grow, our business, results of operations, financial condition, cash flows and prospects could be adversely affected. For our online revenue base to grow, consumers, sellers and suppliers must continue to adopt new and alternative ways of conducting commerce, purchase goods and services and exchanging information, such as through the internet, and we must hence effectively respond to changing consumer preferences on such digital platforms.

As the development of e-commerce is dynamic and subject to risk of rapid disruption driven by technology innovations, we must continuously innovate to overcome the fact that potential consumers are presented with an increasingly large number of options to choose from. Such potential growth is dependent on the overall internet penetration in India which despite recent growth, is still relatively low as compared to certain developed countries. We cannot assure you that a more technologically-sophisticated and reliable fixed telecommunications network or internet infrastructure will develop that would further facilitate growth of e-commerce in India. Should the telecommunications operators not sustain or invest in expanding and upgrading the telecommunications infrastructure in India, it may impact the e-commerce sector adversely. In addition, the growth of the e-commerce sector may be affected by changes in and the evolving nature of government regulation.

***31. We face intense competition which may lead to a reduction in our market share, cause us to increase our expenditure on marketing and promotion as well as cause us to offer discounts, which may result in an adverse effect on our business and a decline in our profitability.***



We face intense competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. We also face competition from new entrants that may have more flexibility in responding to changing business and economic conditions than us. In addition, our competitors may innovate faster and more efficiently, and new technologies may increase competitive pressures by enabling competitors to offer more efficient or lower-cost products. If we fail to adapt our offerings to meet the evolving demands of online buyers and marketplaces, or to compete effectively with these changes, our business performance, operational results, and cash flow may suffer negative impacts.

Competition in our industry is based on brand recognition, quality, innovation, perceived value and pricing of products, distribution reach, promotional activities, advertising and other activities. It is difficult for us to predict the timing and scale of our competitors' actions in these areas. We expect competition to continue to be intense as our competitors expand their operations and introduce new products. If we fail to compete effectively, it may have an adverse effect on our business and profitability.

***32. The success of our business depends substantially on our management team and operational workforce. Our inability to retain them could adversely affect our businesses.***

Our senior management and key management personnel are difficult to replace. Our success and growth depends upon consistent and continued performance of our employees with direction and leadership from senior management. From time to time, there may be changes in our executive management team or other key employees to enhance the skills of our teams or as a result of attrition. We cannot assure you that we will continue to retain any or all of the key members of our management. We do not maintain key personnel insurance in respect of the risk of the loss of our Promoter, senior managers or other key managerial personnel.

In addition, our success depends largely upon the continued service of our Promoter i.e., Mr. Ayush Varma. He has deep industry knowledge and he along with other key individuals in our business, play a strategic role in developing and building relations with our key stakeholders, including investors, board members, suppliers and other strategic business relationships on a regular basis. They have played, and are expected to continue to play, a significant role in building and maintaining strong relationships with critical stakeholders into the future. If they were to step down from their leadership positions in our Company, our reputation could deteriorate and our business could be adversely affected.

If we fail to identify, recruit and integrate strategic personnel, our business could be adversely affected. Any loss of members of our senior management team or key personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business and consumer relationships. We may need to invest significant amounts of cash and equity to attract and retain new employees, and we may never realize returns on these investments. If we are not able to retain and motivate our current personnel or effectively integrate and retain employees, our ability to achieve our strategic objectives, and our business could be adversely affected.

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

The success of our business will depend greatly on our ability to effectively implement our growth strategies. For further details on our strategies, see “*Our Business — Our Business Strategies*” on page 102. There can be no assurance that we will be able to successfully execute our strategies, which may adversely affect our business, financial condition, cash flows and results of operations.

We expect our strategies to place significant demand on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and strategies could have an adverse effect on our business, financial condition, cash flows and profitability.

***34. No insurance coverage obtained by us to protect us against all potential losses to which we may be subject to and this may have a material effect on our business and financial condition.***

Our Company has not obtained any insurance policies for covering us against possible economic losses that we may be subject to in the course of carrying on business. We have not insured our risks pertaining to Fire and special perils, Cash in transit, Keyman Insurance Policy, Public Liability Insurance Policy and our liabilities that may generate under Employees Compensation Act 1923. The absence of such policies may hinder our operations.

Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

**35. *We are subject to risk of fraud, theft, embezzlement by our employees, contractors and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit. We may also encounter some inventory loss on account of employee/vendor fraud, theft, embezzlement and general administrative error. Although, we have set up requisite security measures in our work places but there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

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

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above Rs. 100 Crores. Our issue size being [●] hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

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

Further, we propose to utilize the Net Proceeds for purposes identified in the section titled “*Objects of the Issue*” on page 70 of the DRHP. The manner of deployment and allocation of such funds is entirely at the discretion of our management and our Board, subject to compliance with the necessary provisions of the Companies Act.

**37. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes including dividend distribution tax, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. For further information, see “*Dividend Policy*” on page 145.

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

The proposed expansion, as detailed in the section titled “*Objects of the Issue*” on page no. 70 is to be largely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**39. *If any digital marketing channels become unavailable in India, our business operations could face temporary disruptions. This may adversely impact our business, operational results, financial condition, and cash flows.***

We rely heavily on digital marketing channels for advertising, customer engagement, and sales, which are crucial for maintaining our brand visibility and reaching our target audience. Any regulatory changes, bans, or other disruptions affecting these platforms could significantly reduce our marketing effectiveness and customer

outreach. The temporary loss of these channels would require a swift shift to alternative strategies, which might not be as effective or efficient, thereby impacting our sales and revenue. Our ability to sustain steady growth and market presence is dependent on the continued availability and accessibility of these digital platforms.

## **EXTERNAL RISK FACTORS**

### ***40. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

### ***41. Our business could be affected and disrupted by other kinds of catastrophic occurrences and similar events.***

Natural disasters (such as cyclones, flooding and earthquakes), epidemics, pandemics, acts of war, civil unrest, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, cash flow and results of operations.

Our operations may be adversely affected by fires, floods, natural disasters and severe weather, which can result in damage to our property or inventory or that of our consumers and suppliers, and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus.

### ***42. All of our business and operations are located in India and as such, we are subject to regulatory, economic, social and political uncertainties in India, many of which are beyond our control.***

All of our business and our personnel are located in India, and we intend to continue to develop and expand our business within India. Consequently, our financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Our business results depend on a number of general macroeconomic and demographic factors in India which are beyond our control. In particular, our revenue and profitability are strongly correlated to consumer discretionary spending, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, increased energy prices, rising interest rates or other industry-wide cost pressures could also affect consumer behavior and spending for beauty and fashion products and lead to a decline in our sales and earnings. Political instability could also delay the reform of the Indian economy and could have an adverse effect on the market. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, financial condition, cash flows, results of operations and prospects. Anti-import sentiments amongst the population and a rapidly evolving consumer demographic may also have grave impact on our revenue and results of operations.

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

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;

- prevailing income conditions among Indian consumers and Indian corporations;
- epidemic, pandemic (including the COVID-19 pandemic) or any other public health in India or in countries in the region or globally, including in India's various neighbouring and key trading countries;
- 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;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

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

***43. 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.

***44. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. 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 Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

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

**RISKS RELATED TO THE ISSUE**

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

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

**48. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.**

We intend to utilise the Net Proceeds of the issue as set forth in “*Objects of the issue*” beginning on page 70. The funding requirements mentioned as a part of the objects of the issue are based on internal management estimates in view of past expenditures, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies.

Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, our organic growth and expansion plans could be delayed due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Further, we may not be able to attract personnel with sufficient skills or sufficiently train our personnel to manage our expansion plans.

Accordingly, use of the Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 12.5%, in excess of Rs. 1,25,000. Any long-term gain realized on the sale of equity shares, which

are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

***50. 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 after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Lead Managers is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by us in consultation with the Selling Shareholders Committee and the Lead Managers. Furthermore, the issue price of the Equity Shares will be determined by us in consultation with the Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "Basis for Issue Price" beginning on page 77 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Lead Managers is below their respective issue price. For further details, see "Other Regulatory and Statutory Disclosures – Price information and track record of the past issues handled by the BRLM" on page 206. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

***51. The requirements of being a listed company may strain our resources.***

We are not a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated by the virtue of being a listed company. As a listed company, we will incur considerable legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing compliances and reporting requirements to the Stock Exchanges on which equity shares of our Company will be listed, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily.

***52. If inflation rises in India, increased costs may result in a decline in profits.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

***53. We cannot assure you that our equity shares will be listed on the NSE EMERGE in a timely manner or at all, which may restrict your ability to dispose of the equity shares.***

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Red Herring Prospectus listed on NSE EMERGE platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the EMERGE Platform of National Stock Exchange of India Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the Company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

***54. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

After listing permission and trading permission of equity shares have been granted, the price of the shares shall be driven by free market forces. The market price of a company's share is determined by the forces of supply and

demand in the stock market. These forces are influenced by a variety of factors, including the company's financial performance, industry trends, economic conditions, and investor sentiment.

When a company issues equity shares, it sets an issue price based on various factors such as the company's valuation, the prevailing market conditions, and the demand for its shares. However, the issue price is not necessarily indicative of the market price of the shares after the issue.

Once the shares are listed on the stock exchange, their price is determined by the forces of supply and demand in the market. If there is strong demand for the shares, the price may rise above the issue price, and if there is weak demand, the price may fall below the issue price.

Therefore, while the issue price of equity shares provides a starting point for the company's valuation, it is not necessarily a reliable indicator of the market price of the shares after the issue. Investors should carefully evaluate all relevant factors and information before making investment decisions in the stock market.

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

Following the Issue, we will be subject to a daily "circuit breaker" 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 on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can 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 particular time.

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

The issue Price of our Equity Shares has been determined by the Book Built method. This price is being based on numerous factors (For further information, please see the section "*Basis for Issue Price*" on page no. 77 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

## SECTION IV – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue</b> <sup>(1)(2)</sup>	Upto 20,00,000 Equity Shares of face value of ₹ 10 each fully paid up for cash at price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per Share aggregating to ₹ [●] Lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(3)(4)(5)</sup>	Not more than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<b>Of which</b>	
i) Anchor Investor Portion	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares of ₹ [●] each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares of ₹ [●] each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
B. Non-Institutional Portion <sup>(3)(4)(5)</sup>	Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
C. Retail Portion <sup>(3)(4)(5)</sup>	Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	50,05,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto [●] Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 70 of this Draft Red Herring Prospectus.

\* Subject to finalization of the basis of the 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, 2018, 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 offered to the public for subscription.
2. The issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 16, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)I of the Companies Act, 2013 at the Extra Ordinary General Meeting held on July 19, 2024.
3. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
4. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. 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

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

5. In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

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 ₹ 5 lakhs, shall use UPI. Individual investors bidding under the Non- Institutional Portion bidding for more than ₹ 2 lakhs and up to ₹ 5 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, Demat and Bank Account (3 in 1 type accounts), provided by certain brokers.

*For further details, please refer section titled “Issue Procedure” beginning on page 220 of this Draft Red Herring Prospectus.*

**SUMMARY OF RESTATED FINANCIAL STATEMENTS**

**Restated Statement of Assets and Liabilities**

**(Rs. In lakhs)**

<b>Particulars</b>	<b>Annexure IV Note</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' funds</b>				
(a) Share Capital	3	0.50	0.50	0.50
(b) Reserves and Surplus	4	525.28	15.75	(40.51)
<b>Total</b>		<b>525.78</b>	<b>16.25</b>	<b>(40.01)</b>
<b>(2) Non-current liabilities</b>				
(a) Long-term Borrowings		-	-	-
(b) Deferred Tax Liabilities		-	-	-
I Other Long-term Liabilities		-	-	-
(d) Long-term Provisions	5	5.12	-	-
<b>Total</b>		<b>5.12</b>	-	-
<b>(3) Current liabilities</b>				
(a) Short-term Borrowings	6	3.81	40.53	41.66
(b) Trade Payables	7			
- Due to Micro and Small Enterprises		96.82	-	-
- Due to Others		32.28	31.20	-
I Other Current Liabilities	8	109.88	86.93	-
(d) Short-term Provisions	9	174.22	0.30	-
<b>Total</b>		<b>417.02</b>	<b>158.96</b>	<b>41.66</b>
<b>Total Equity and Liabilities</b>		<b>947.93</b>	<b>175.20</b>	<b>1.65</b>
<b>II. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment and Intangible Assets				
(i) Property, Plant and Equipment	10.1	22.05	1.19	0.10
(ii) Intangible Assets		-	-	-
(iii) Capital Work-in-progress		-	-	-
(b) Non-Current Investments	11	79.26	-	-
I Long-term loans & advances		-	-	-
(d) Deferred Tax Assets	12	1.60	(0.04)	(5.66)
I Other Non-Current asset	13	608.34	-	-
<b>Total</b>		<b>711.24</b>	<b>1.15</b>	<b>(5.56)</b>
<b>(2) Current assets</b>				
(a) Inventories	14	43.37	63.54	-
(b) Trade Receivables	15	16.50	-	-
I Cash and Cash Equivalents	16	11.58	98.31	0.56
(d) Short-term Loans and Advances	17	162.01	9.98	-
I Other Current Assets	18	3.22	2.22	6.65
<b>Total</b>		<b>236.69</b>	<b>174.05</b>	<b>7.21</b>
<b>Total Assets</b>		<b>947.93</b>	<b>175.20</b>	<b>1.65</b>

### Restated Statement of Profit and Loss

(Rs. In lakhs)

Particulars	Annexure IV Note	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Revenue from Operations	19	2,208.78	349.36	78.86
Other Income	20	19.10	0.01	-
<b>Total Income</b>		<b>2,227.88</b>	<b>349.37</b>	<b>78.86</b>
<b>Expenses</b>				
Cost of Raw Materials Consumed		-	-	-
Purchases of Stock in Trade	21	628.96	139.96	16.88
Change in Inventories of work in progress, finished goods and Stock in Trade	22	20.16	(63.54)	-
Employee Benefit Expenses	23	84.55	25.42	7.71
Finance Costs	24	6.93	0.25	0.72
Depreciation and Amortization Expenses	25	2.33	0.07	0.04
Other Expenses	26	804.07	196.56	76.00
<b>Total expenses</b>		<b>1,547.00</b>	<b>298.73</b>	<b>101.35</b>
<b>Restated profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>680.88</b>	<b>50.64</b>	<b>(22.50)</b>
Exceptional Item		-	-	-
<b>Restated profit/(Loss) before Extraordinary Item and Tax</b>		<b>680.88</b>	<b>50.64</b>	<b>(22.50)</b>
Extraordinary Item	27	-	-	0.04
<b>Restated profit/(Loss) before Tax</b>		<b>680.88</b>	<b>50.64</b>	<b>(22.54)</b>
Tax Expenses	28			
- Current Tax		172.98	-	-
- Deferred Tax		(1.64)	(5.62)	5.68
- Short /(Excess) provision for Deferred tax of earlier year		-	-	(0.02)
<b>Total Tax Expense</b>		<b>171.34</b>	<b>(5.62)</b>	<b>5.66</b>
<b>Restated profit/(Loss) after Tax</b>		<b>509.54</b>	<b>56.26</b>	<b>(28.19)</b>
Restated Earnings Per Share (Face Value per Share Rs.10 each)				
-Basic	29	10.18	1.12	(0.56)
-Diluted	29	10.18	1.12	(0.56)

## Restated Cash Flows Statement

(Rs. In lakhs)

Particulars	Annex ure IV Note	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>				
Net Profit after tax		509.54	56.26	(28.19)
Depreciation and Amortisation Expense		2.33	0.07	0.04
Provision for tax		171.34	(5.62)	5.66
Dividend Income (Investment Income)		(19.09)	-	-
Interest Income		(0.02)	-	-
Finance Costs		6.93	0.25	0.72
<b>Operating Profit before working capital changes</b>		<b>671.04</b>	<b>50.96</b>	<b>(21.78)</b>
Adjustment for:				
Inventories		20.16	(63.54)	-
Trade Receivables		(16.50)	-	-
Loans and Advances & Other Assets		(16.98)	-	-
Other Current Assets		(136.05)	(12.20)	(12.39)
Trade Payables		97.91	31.20	-
Other current Liabilities		22.96	93.58	(6.86)
Short Term Provisions		173.92	0.30	-
Long Term Provisions		5.12	-	-
<b>Cash generated from Operations</b>		<b>821.58</b>	<b>100.29</b>	<b>(41.03)</b>
Tax paid (Net)		(172.98)	-	-
<b>Net Cash from Operating Activities</b>		<b>648.60</b>	<b>100.29</b>	<b>(41.03)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>				
Purchase of Property, Plant and Equipment		(23.18)	(1.16)	-
Sale of Property, Plant and Equipment		-	-	0.01
Purchase of Equity Instruments		(79.26)	-	-
Investment in Term Deposits		(608.34)	-	-
Dividend received		19.09	-	-
Interest received		0.02	-	-
<b>Net Cash (Used in) Investing Activities</b>		<b>(691.67)</b>	<b>(1.16)</b>	<b>0.01</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>				
Proceeds from Short Term Borrowings		-	-	41.66
Repayment of Short Term Borrowings		(36.72)	(1.13)	-
Interest and Other Borrowing cost		(6.93)	-	(0.72)
<b>Net Cash (Used in) / Generated from Financing Activities</b>		<b>(43.65)</b>	<b>(1.13)</b>	<b>40.94</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>(86.73)</b>	<b>98.00</b>	<b>(0.07)</b>
Opening Balance of Cash and Cash Equivalents		98.52	0.52	0.59
<b>Closing Balance of Cash and Cash Equivalents</b>	18	<b>11.79</b>	<b>98.52</b>	<b>0.52</b>

## GENERAL INFORMATION

Our company was originally incorporated and registered as a private limited company under Companies Act, 2013 in the name and style of “Ravelcare Private Limited” vide certificate of incorporation dated November 29, 2018 issued by the Registrar of Companies, Central Registration Centre. Pursuant to a resolution of our Board dated March 22, 2024 and a resolution of our shareholders dated March 27, 2024, our Company was converted into a public limited company under the Companies Act, and consequently the name of our company was changed to “Ravelcare Limited”, and a fresh certificate of incorporation dated June 14, 2024 issued by Registrar of Companies, Central Processing Centre.

### **Company Registration Number and Corporate Identity Number**

The registration number and corporate identity number of our Company are as follow:

Particulars	Number
Company Registration Number:	317628
Corporate Identity Number	U74999MH2018PLC317628

### **Registered Office & Corporate Office of our Company**

Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West, Mumbai – 400064 Maharashtra, India.

As on date this Draft Red Herring Prospectus, our Company does not have a Corporate Office.

For details of change in registered office of our Company, see the chapter titled “*History and Certain Corporate Matters*” beginning on 126 of this DRHP.

### **Registrar of Companies**

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

100, Everest, Marine Drive, Mumbai – 400002, Maharashtra, India.

### **Board of Directors of our Company**

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

Sr. No.	Name of director	Designation	DIN	Address
1.	Ayush Mahesh Varma	Managing Director	08290637	Dasra Maidan Road, New Krushnarpan Colony, Amravati – 444601, Maharashtra, India
2.	Maheshkumar Ramchandra Varma	Whole Time Director	09756885	Dasra Maidan Road, New Krushnarpan Colony, Amravati – 444601, Maharashtra, India
3.	Anita Mahesh Varma	Non-executive Non-Independent Director	10560934	Dasra Maidan Road, New Krushnarpan Colony, Amravati – 444601, Maharashtra, India
4.	Ajinkya Rajendra Jain	Non-executive Independent Director	07614758	Runwal Forests – Tower No. 4, Tower Name Oak, 8 <sup>th</sup> Floor, Flat No. 804 Kanjurmarg (West) LBS Road, Mumbai – 400078, Maharashtra, India
5.	Bhuvnesh Kumar	Non-executive Independent Director	10581722	Behind High School, Tekarawas, Bhinmal, Jalor – 343029 Rajasthan, India

For further details of our Board of Directors, see “*Our Management*” on page 129 this Draft Red Herring Prospectus.

#### **Chief Financial Officer**

##### **Sagar Doshi**

**Address:** 904, 9<sup>th</sup> Floor, Meena Mahavir Solitare, R. B. Mehta Marg, Shree Minakshi CHSL, Ghatkopar East, Mumbai – 400077, Maharashtra, India

**Telephone No.:** +91 88501 17315

**E-mail:** [sagar@ravelcare.com](mailto:sagar@ravelcare.com)

#### **Company Secretary and Compliance Officer**

##### **Pragya Lalwani**

**Address:** 11/696, Manak, Choupasni Housing Board, Jodhpur – 342008, Rajasthan, India.

**Telephone No.:** +91 84339 80120

**E-mail:** [pragya@ravelcare.com](mailto:pragya@ravelcare.com)

#### **Investor Grievances:**

Applicants can contact the Compliance Officer, the BRLM or the Registrar to the issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the BRLM, who shall respond to the same.

Applicants may contact the BRLM for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

#### **Details of Key Intermediaries pertaining to this Issue of our Company**

##### **Book Running Lead Manager**

##### **Marwadi Chandarana Intermediaries Brokers Private Limited**

**Address:** X-change Plaza, Office no. 1201 to 1205, 12<sup>th</sup> Floor,

Building No. 53E, Zone-5, Road 5E, Gift City,

Gandhinagar – 382355,

Gujarat, India

**Telephone:** +91 022 6912 0027

**Email ID:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)

**Website:** [ib.marwadichandanagroup.com](http://ib.marwadichandanagroup.com)

**Investor Grievance E-mail:** [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)

**Contact Person:** Mr. Janil Jain / Ms. Radhika Maheshwari

**SEBI Registration Number:** INM000013165

##### **Statutory Auditor of our Company**

##### **Ratan Chandak and Co., Chartered Accountants**

**Address:** 1701, Haware Infotech Park, Plot 39/3,

Sector 30A, Vashi,

Navi Mumbai – 400705,

Maharashtra, India

**Tel:** +91 022 4978 2248, +91 98701 28754  
**Peer Review Number:** 015016  
**Firm Registration Number:** 108696W  
**Email:** [info@vpalkar.com](mailto:info@vpalkar.com)  
**Website:** [www.rcnco.net](http://www.rcnco.net)  
**Contact person:** Jagadish Sate  
**Membership No.:** 182935

#### Changes in auditors during the last three years

Except as stated below, there has been no change in the Statutory Auditors of our company during the three years preceding the date of this Draft Red Herring Prospectus:

Name of Auditor	Date of Change	Reason for Change
<b>Ratan Chandak and Co.</b> 1701, Haware Infotech Park, Plot 39/3, Sector 30A, Vashi, Navi Mumbai – 400705, Maharashtra, India <b>Email Id:</b> <a href="mailto:info@vpalkar.com">info@vpalkar.com</a> <b>Peer Review No:</b> 015016 <b>Membership No.:</b> 182935 <b>Firm Registration No.:</b> 108696W	Appointment on April 26, 2024 due to casual vacancy.	Appointment on April 26, 2024 due to casual vacancy.
<b>Chirag Mehta and Associates</b> A Wing 801, Jaswanti Allied Business Centre, Ramchandra Lane Extn, Kachpada, Malad West Mumbai – 400064, Maharashtra, India <b>Email Id:</b> <a href="mailto:camehta79@gmail.com">camehta79@gmail.com</a> <b>Membership No.:</b> 120832 <b>Firm Registration No.:</b> 126657W	Initially appointed from August 09, 2023 to fill casual vacancy and then appointed on September 30, 2023 for a term of 5 years	Appointment on August 09, 2023 due to casual vacancy caused by resignation of previous auditor i.e. Gupta Hemant and Co.
<b>Gupta Hemant And Co., Chartered Accountants</b> B-11 Shankar Garden, Vikas puri, New Delhi – 110018, India <b>Email Id:</b> <a href="mailto:hemantkguptaca@gmail.com">hemantkguptaca@gmail.com</a> <b>Membership No.:</b> 510246 <b>Firm Registration No.:</b> 031100N	June 08, 2023	Resignation due to certain prior commitments and some personal reason.

#### Legal Counsel to the Issue

**Asha Agarwal & Associates**  
 118, Shila Vihar, Gokulpura, Kalwar Road, Jhotwara, Jaipur – 302012, Rajasthan, India  
**Tel No.:** +91 99509 33137  
**Email:** [ashaagarwalassociates@gmail.com](mailto:ashaagarwalassociates@gmail.com)  
**Contact Person:** Nisha Agarwal

#### Registrar to the issue

**Kfin Technologies Limited**  
**Address:** Selenium, Tower-B, Plot 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad – 500 032  
 Telangana, India  
**Tel:** +91 40 6716 2222  
**Email:** [ravelcare.ipo@kfintech.com](mailto:ravelcare.ipo@kfintech.com)  
**Investor grievance e-mail:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**Website:** [www.kfintech.com](http://www.kfintech.com)  
**Contact Person:** M. Murali Krishna  
**SEBI registration number:** INR000000221

## Banker(s) to the Issue

[•]

## Refund Bank(s)

[•]

## Sponsor Bank

[•]

## Syndicate Members

[•]

## Bankers to our Company

### ICICI Bank Limited

Casa Angelica Building, Dominic Colony, Tank Road, Orlem,  
Mumbai – 400064, Maharashtra, India

**Contact Person:** Brijendra Dubey

**Tel:** +91 92718 51221

**Email:** [brijendra.dubey@icicibank.com](mailto:brijendra.dubey@icicibank.com)

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

## Designated Intermediaries

### *Self-Certified Syndicate Banks and SCSBs enabled for UPI Mechanism*

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

Applications through the UPI Mechanism in the issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at [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) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time

### *Syndicate SCSB Branches*

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process 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 ([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)) and 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), as updated from time to time

### *Registered Brokers*

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.



### ***Registrar and Share Transfer Agent***

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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

### ***Collecting Depository Participants***

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

### **Experts to the Issue**

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

Our company has received a written consent dated July 24, 2024 from our Statutory Auditor, namely M/s. Ratan Chandak and Co., Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated July 20, 2024 for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 on the restated financial statements (b) report dated July 24, 2024 on the statement of special tax benefits available to our Company and its Shareholders.

### **Statement of inter-se allocation of responsibilities**

Marwadi Chandarana Intermediaries Brokers Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **IPO Grading**

No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

### **Monitoring Agency**

As the Net Proceeds of the issue will be less than ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Appraising Entity**

None of the objects of the issue for which the Net Proceeds will be utilised have been appraised by any agency.

### **Credit Rating**

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

### **Debenture Trustee**

As this is an Issue consisting of Equity Shares, the appointment of a debenture trustee is not required.

### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

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

A copy of the Draft Red Herring Prospectus has been filed with the EMERGE platform of National Stock

Exchange of India Limited where the Equity Shares are proposed to be listed.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the issue document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Red Herring Prospectus/ Prospectus shall be furnished to the Board in soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> .

A copy of the Red Herring Prospectus/ Prospectus along with the material contracts and documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will also be filed with the RoC, Mumbai at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India and through the electronic portal at [www.mca.gov.in](http://www.mca.gov.in)

### **Book Building Process**

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

- Our Company;
- The Book Running Lead Manager in this case being Marwadi Chandarana Intermediaries Brokers Private Limited
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with [●] and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the issue and;
- The Designated Intermediaries and Sponsor bank

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

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

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

**Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “*Issue Procedure*” beginning on page 220220 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 220 of this Draft Red Herring Prospectus.

**Illustration of the Book Building and Price Discovery Process:**

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

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

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

- Check eligibility for making a Bid see section titled “*Issue Procedure*” on page 220220 of this Draft Red Herring Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the issue will obtain the Demographic Details of the Bidders from the Depositories.

- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

## WITHDRAWAL OF THE ISSUE

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

If our Company withdraws the issue any time after the Bid/ Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

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

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

## Underwriting Agreement

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue will be 100% Underwritten by the underwriter [●].

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

*(This portion has been intentionally left blank and will be filled in before the Red Herring Prospectus or the prospectus, as applicable is filed with RoC)*

Details of the Underwriter	Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the total Issue size Underwritten
[●]	[●]	[●]	[●]

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

*The above-mentioned is indicative underwriting and will be utilized after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.*

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 underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange

The Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the issue out of its own account.

## Market Maker

### Details of Market Making Arrangement for this Issue

Our Company and the BRLM has entered into a Market Making Agreement dated [●] with the following Market Maker, to fulfil the Market Making obligations under this Issue:

<b>Name</b>	[●]
<b>Correspondence Address</b>	
<b>Tel No.</b>	
<b>E-mail</b>	
<b>Website</b>	
<b>Contact Person</b>	
<b>SEBI Registration No.</b>	
<b>Market Maker Registration No.</b>	

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

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 NSE 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 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 shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
5. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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.

8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

9. **Risk containment measures and monitoring for Market Makers:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
11. 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.
12. 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.
13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

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

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

<b>Sr. No.</b>	<b>Market Price Slab (in ₹)</b>	<b>Proposed Spread (in % to sale price)</b>
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

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.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus:

*(₹ in Lakhs except share data)*

Sr. No.	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Issue Price* (in ₹)
<b>A.</b>	<b>Authorized Share Capital</b>		
	70,10,000 Equity Shares of face value of ₹ 10/- each	701.00	[●]
<b>B.</b>	<b>Issued, Subscribed and Paid-up share Capital before the Issue</b>		
	50,05,000 Equity Shares of face value of ₹ 10/- each	500.50	[●]
<b>C.</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus</b>		
	Fresh Issue of up to 20,00,000 Equity Shares of face value of ₹ 10/- each at a premium of ₹ [●]/- each <sup>(1) (2)</sup>	[●]	[●]
	<i>Which Comprises of:</i>		
	<b>Reservation for Market Maker portion</b>		
	[●] Equity Shares of face value of ₹ [●]/- each	[●]	[●]
	<b>Net Issue to the Public</b>		
	[●] Equity Shares of face value of ₹ [●]/- each	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-up share Capital after the Issue</b>		
	[●] Equity Shares of face value of ₹ [●]/- each*	[●]	[●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the issue (as on date of this Draft Red Herring Prospectus)	Nil	
	After the Issue		[●]

\* To be updated upon finalisation of the issue Price, and subject to the Basis of Allotment.

### CLASS OF SHARES

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

- (1) The present Issue has been authorised pursuant to a resolution of our Board dated July 16, 2024 and by Special Resolution passed under Section 62(1)I of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on July 19, 2024.
- (2) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the issue price. Under subscription, if any, in any of the categories except QIB, 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 Managers and Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Offer and its allocation various categories, please refer chapter titled “The Issue” on page no. 44 of this Draft Red Herring Prospectus.

For details of changes to our Company’s authorized share capital in the last 10 years, see “History and Certain Corporate Matters – Amendments to our Memorandum of Association” on page 126.



## NOTES TO THE CAPITAL STRUCTURE

### 1. Equity Share Capital History of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Details of Allottees	No. of Equity Shares allotted	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable) (₹)	Nature of consideration	Cumulative number of Equity Shares
November 29, 2018	(1) Ayush Mahesh Varma – 4,999 (2) Vedant Agarwal – 1	5,000	Initial Subscription to our MOA	10/-	10/-	Cash	5,000
July 16, 2024	(1) Ayush Mahesh Varma – 49,94,000 (2) Maheshkumar Ramchandra Varma – 1,000 (3) Anita Mahesh Varma - ,000 (4) Karmesh Rajendra Kothari – 1,000 (5) Kritika Aggarwal – 1,000 (6) Sagar Doshi -1,000 (7) Jyoti Aggarwal – 1,000	50,00,000	Bonus Issue	10/-	NA	Other than Cash	50,05,000

### 3. History of preference share capital of our Company

Our company has not issued any Preference Share Capital in the past.

### 4. Issue of Shares for consideration other than cash, bonus issues or out of revaluation reserves

Except as set out below, our Company has not issued Equity Shares for consideration other than cash, bonus issues or out of revaluation reserves.

Date of Allotment	Nature of Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Reason for allotment and Benefits accrued to our Company
July 16, 2024	Bonus Issue	50,00,000	10	NA	Capitalization of Reserves and Surplus

### 5. Equity Shares allotted in terms of any schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-232 of the Companies Act, 2013, as applicable.

### 6. Equity Shares allotted at a price lower than the issue price in the last year

The issue price shall be determined by our Company in consultation with the BRLM, after the Bid / Offer Closing Date. Other than the allotment of Equity Shares on July 16, 2024 pursuant to a bonus issue, our Company has not issued any Equity Shares at a price which may be lower than the issue price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

7. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
8. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
9. **Shareholding Pattern of our Company**

Set forth on the following page is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

*(This section is intentionally left blank)*

Category (I)	Category of shareholder (II)	No. 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 No. of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of Equity 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 Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialization form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class (Equity Shares)	Classes (Others)	Total								
(A)	Promoter and Promoter Group	5	50,02,998	-	-	50,02,998	99.96%	50,02,998	-	50,02,998	99.96%	-	-	-	-	-	-	50,02,998
(B)	Public	2	2,002	-	-	2,002	0.04%	2,002	-	2,002	0.04%	-	-	-	-	-	-	2,002
<b>I</b>	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>50,05,000</b>	<b>-</b>	<b>-</b>	<b>50,05,000</b>	<b>100%</b>	<b>50,05,000</b>	<b>-</b>	<b>50,05,000</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,05,000</b>

## 10. Other details of Shareholding of our Company

(a) As on the date of the filing of this DRHP, our Company has 7 (Seven) Shareholders of Equity Shares.

Sr. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Ayush Mahesh Varma	44,00,000	87.91
2.	Maheshkumar Ramchandra Varma	2,01,001	4.02
3.	Kritika Aggarwal	2,01,001	4.02
4.	Anita Mahesh Varma	1,99,995	3.99
5.	Jyoti Aggarwal	1,001	0.02
6.	Sagar Doshi	1,001	0.02
7.	Karmesh Rajendra Kothari	1,001	0.02
	<b>Total</b>	<b>50,05,000</b>	<b>100.00</b>

(b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this DRHP:

Sr. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Ayush Mahesh Varma	44,00,000	87.91
2.	Maheshkumar Ramchandra Varma	2,01,001	4.02
3.	Kritika Aggarwal	2,01,001	4.02
4.	Anita Mahesh Varma	1,99,995	3.99
	<b>Total</b>	<b>50,01,997</b>	<b>99.94</b>

(c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this DRHP:

Sr. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Ayush Mahesh Varma	49,98,994	99.88
	<b>Total</b>	<b>49,98,994</b>	<b>99.88</b>

*Note: Details as on July 22, 2024 being the date ten days prior to the date of this DRHP.*

(d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this DRHP:

Sr. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Ayush Mahesh Varma	4,999	0.01
	<b>Total</b>	<b>4,999</b>	<b>0.01</b>

*Notes: Details as on July 22, 2023 being the date one year prior to the date of this DRHP.*

(e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this DRHP:

Sr. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Ayush Mahesh Varma	4,999	0.01
	<b>Total</b>	<b>4,999</b>	<b>0.01</b>

*Note: Details as on July 22, 2022 being the date two years prior to the date of this DRHP.*

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the 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 offer, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

## 12. Details of Shareholding of our Promoter and Promoter Group in the Company:

- a. As on the date of this Draft Red Herring Prospectus, our Promoter and Promoter Group collectively hold 50,02,998 Equity Shares, equivalent to 99.96 % of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

Sr. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
<b>(A) Promoter</b>					
1.	Ayush Mahesh Varma	44,00,000	87.91	[●]	[●]
<b>Total (A)</b>		<b>44,00,000</b>	<b>87.91</b>	[●]	[●]
<b>(B) Promoter Group</b>					
1.	Maheshkumar Ramchandra Varma	2,01,001	4.02	[●]	[●]
2.	Kritika Aggarwal	2,01,001	4.02	[●]	[●]
3.	Anita Mahesh Varma	1,99,995	3.99	[●]	[●]
4.	Jyoti Aggarwal	1,001	0.02	[●]	[●]
<b>Total (B)</b>		<b>6,02,998</b>	<b>12.05</b>	[●]	[●]
<b>Total (A+B)</b>		<b>50,02,998</b>	<b>99.96</b>	[●]	[●]

- b. All Equity Shares held by our Promoter are in dematerialized form as on the date of this Draft Red Herring Prospectus.

## 13. Capital Build-up in respect of Shareholding of our Promoter:

Set forth below is the build-up of the Shareholding of our Promoter in our Company since incorporation:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre- Issue capital (%)	% of the post- Issue capital (%)
<b>Ayush Mahesh Varma</b>						
November 29, 2018	Initial Subscriber to MOA	4,999	10	10	0.10	[●]
March 18, 2024	Transferred to Jyoti Aggarwal	(1)	10	326	Negligible	[●]
March 18, 2024	Transferred to Karmesh Rajendra Kothari	(1)	10	326	Negligible	[●]
March 18, 2024	Transferred to Kritika Aggarwal	(1)	10	326	Negligible	[●]
March 18, 2024	Transferred to Sagar	(1)	10	326	Negligible	[●]

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre- Issue capital (%)	% of the post- Issue capital (%)
<b>Ayush Mahesh Varma</b>						
	Doshi					
March 18, 2024	Transferred to Anita Mahesh Varma	(1)	10	326	Negligible	[●]
July 16, 2024	Bonus Issue	49,94,000	10	NA	99.78	[●]
July 26, 2024	Transferred to Anita Mahesh Varma (Gift)	(1,98,994)	10	NA	(3.97)	[●]
July 26, 2024	Transferred to Kritika Aggarwal (Gift)	(2,00,000)	10	NA	(4.00)	[●]
July 26, 2024	Transferred to Maheshkumar Ramchandra Varma (Gift)	(2,00,000)	10	NA	(4.00)	[●]
<b>Total</b>		<b>44,00,000</b>	<b>-</b>	<b>-</b>	<b>87.91</b>	<b>[●]</b>

14. Except as disclosed in the table titled “*Capital Build-up in respect of Shareholding of our Promoter*” above, none of the Promoter, member of the Promoter Group, Directors of our Company nor any of their immediate relatives have acquired/ purchased / sold any securities of our Company within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

#### 15. Details of Promoter’s Contribution locked-in for Three Years

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post-Issue Capital held by our Promoter shall be considered as Promoter’s Contribution (“**Promoter’s Contribution**”) and shall be locked in for a period of three years from the date of allotment of Equity Shares pursuant to this Issue. The lock in of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoter holds 44,00,000 Equity Shares constituting 87.91% of the Post Issued, subscribed and Paid up Equity Share Capital of our Company, which are eligible for the Promoter Contribution.

Our Promoter, Mr. Ayush Mahesh Varma, has given written consent to include 15,00,000 Equity Shares held by them and subscribed by them as part of Promoter Contribution constituting [●] % of the post issue Equity Shares of our Company. Our Promoter have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter’s Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter’s Contribution are set forth in the table below:

Date of allotment/ Transfer of the Equity Shares	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition / Transfer price per Equity Share (₹)	Nature of transaction	Post-Issue Shareholding (%)	Lock In Period
<b>Ayush Mahesh Varma</b>						
July 16, 2024	15,00,000	10	-	Bonus Issue	[●]	3 Years
<b>Total</b>	<b>15,00,000</b>				<b>[●]</b>	<b>3 Years</b>

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as '**Promoter**' under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years from the allotment of Equity Shares in this Issue. Equity Shares offered by the Promoter for the minimum Promoter's contribution are not subject to pledge.

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

Our Company undertakes that the Equity Shares that are being locked-in as Promoters Contribution are not and will not be ineligible for computation of Promoters Contribution in terms of Regulation 237 of the SEBI ICDR Regulation. In this connection, we confirm the following:

- (a) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution.
- (b) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer.
- (c) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
- (d) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, 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.

#### **16. Details of Promoters Contribution Locked-in for One Year:**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 36,05,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue except the Equity Shares allotted or to be allotted to our employees under ESOP Scheme 2018 pursuant to exercise of options held by such employees (whether current employees or not and including the legal heirs or nominees of any deceased employees or ex-employees).

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

#### **17. Transferability of Locked-In Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter's Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

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

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by the Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank or a public financial institution or Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- b) With respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- c) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI (ICDR) Regulations.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the issue and pledge of the Equity Shares is a term of sanction of such loans.

#### **19. Lock-in of Equity Shares Allotted to Anchor Investors**

50% 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 50% shall be locked-in for a period of 30 days from the date of Allotment.

20. Neither we, nor our Promoter, Promoter Group, Directors and the BRLM to this Issue have entered into any Buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being offered through the issue from any person.
21. 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.
22. The BRLM and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and its 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 or investment management services in respect with our Company for which they may in the future receive customary compensation.
23. The BRLM or Syndicate Members cannot apply in the issue under the Anchor Investor Portion except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the BRLM or alternate investment funds or an FPI (other than individuals, corporate bodies and family offices) or pension funds sponsored by entities which are associates of the BRLM.



24. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
25. None of our Promoter or members of our Promoter Group will participate in the Offer.
26. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
27. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
28. An over-subscription to the extent of 10% of the issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the issue Price.

Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the issue Price, undersubscription, 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 BRLM and Designated Stock Exchange i.e., National Stock Exchange of India Limited (“NSE”). Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.

30. At any given point of time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
31. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
32. Details of Equity Shares held by our Directors, Key Managerial Personnel and Senior Managerial Personnel, as on the date of filing this Draft Red Herring Prospectus:

Sr. No.	Name of Director / KMP/SMP	Designation	Number of Equity	% of the Pre – Issue Equity Share Capital
1.	Ayush Mahesh Varma	Managing Director	44,00,000	87.91
2.	Maheshkumar Ramchandra Varma	Whole-Time Director	2,01,001	4.02
3.	Anita Mahesh Varma	Non-Executive Non-Independent Director	1,99,995	3.99
4.	Sagar Doshi	Chief Financial Officer	1,001	0.02

*\*As on date of this DRHP, none of our SMPs hold any equity shares.*

## OBJECTS OF THE ISSUE

The Issue comprises a fresh issue of up to 20,00,000 Equity Shares, aggregating up to ₹ [●] lakh by our Company.

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the NSE EMERGE Platform.

### **The Objects of the Issue Are: -**

1. Funding our organic growth initiatives which includes;
  - (a) Marketing and awareness of our brand “Ravel”;
  - (b) Funding the expansion of our geographical footprint;
  - (c) Investment into research and product development
2. General corporate purposes;

*(Collectively referred to as the “Objects”).*

Our Company believes that listing will enhance our Company’s corporate image, brand name and create a public market for its Equity Shares in India. The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us: (i) to undertake our existing business activities and other activities set out therein; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

### **Requirement of Funds**

The details of the proceeds from the Issue are summarized in the following table:

<b>Particulars</b>	<b>Amount (₹ in lakhs)</b>
Gross Issue Proceeds*	[●]
Less: Issue Expenses	[●]
<b>Net Issue Proceeds</b>	<b>[●]</b>

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

### **Fund Utilisation:**

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (₹ in lakhs)</b>	<b>% of Net Proceeds</b>
1.	Funding our organic growth initiatives which includes		
	a. Marketing and awareness of our brand “Ravel”	Upto 1,100.00	[●]
	b. Funding the expansion of our geographical footprint	Upto 315.00	[●]
	c. Investment into research and product development	Upto 300.00	[●]
2.	General corporate purposes*	[●]	[●]
<b>Net Issue Proceeds</b>		<b>[●]</b>	<b>100.00</b>

*\* To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

### **Means of finance**

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

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

**IN CASE OF ANY INCREASE IN THE ACTUAL UTILIZATION OF FUNDS EARMARKED FOR THE OBJECTS, SUCH ADDITIONAL FUNDS FOR A PARTICULAR ACTIVITY WILL BE MET BY WAY OF MEANS AVAILABLE TO OUR COMPANY, INCLUDING FROM INTERNAL ACCRUALS. IF THE ACTUAL UTILIZATION TOWARDS ANY OF THE OBJECTS IS LOWER THAN THE PROPOSED DEPLOYMENT SUCH BALANCE WILL BE**

**USED FOR FUTURE GROWTH OPPORTUNITIES INCLUDING FUNDING EXISTING OBJECTS, IF REQUIRED. WE FURTHER CONFIRM THAT NO PART OF PROCEED OF THE ISSUE SHALL BE UTILISED FOR REPAYMENT OF ANY PART OF UNSECURED LOAN OUTSTANDING AS ON DATE OF DRAFT RED HERRING PROSPECTUS.**

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

For further details on the risks involved in our business plans and executing our business strategies, please see "Risk Factors" beginning on page 25 of the Draft Red Herring Prospectus.

**Details of Utilization of Issue Proceeds**

**1. Funding our organic growth initiatives;**

The key factors which contribute to our organic growth, and towards which the Net Proceeds may be utilized include:

**(a) Marketing and awareness of our brand "Ravel"**

Our brand "Ravel" has established a presence in the market, which has reflected in our consistently growing revenue each financial year. This growth is driven by consumers who visit our website directly and through targeted marketing efforts. We plan to continue investing in our brand through various digital mediums to sustain and enhance this momentum. Our digital marketing strategy leverages a range of channels, including social media, email campaigns, WhatsApp and SMS marketing, and targeted online advertising.

Performance marketing plays a crucial role in our strategy, with major contributions from Meta and Google Ads helping us reach relevant audiences effectively. These platforms enable precise targeting and efficient use of our marketing budget, ensuring we connect with potential consumers who are most likely to be interested in our products.

With the aim of customer acquisition and retention, we have historically spent significantly towards marketing and advertisements to enhance the visibility of our brand. This consists of general advertising, marketing and branding initiatives on digital platforms. In financial years 2024, 2023 and 2022, our marketing and advertisement expenses were ₹572.53 lakhs, ₹133.18 lakhs and ₹49.63 lakhs respectively. Over the years, as our business has grown, our marketing strategies have evolved to widen our customer with an emphasis on digital marketing and content marketing.

The breakup of the marketing and advertisement expenses incurred by our Company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 are as follows:

<b>Particulars</b>	<b>Financial Year 2022</b>	<b>Financial Year 2023</b>	<b>Financial Year 2024</b>
Performance marketing	18.57	121.96	466.56
Other marketing channels	31.06	11.22	105.97
<b>Total</b>	<b>49.63</b>	<b>133.18</b>	<b>572.53</b>

*\*As Certified by Ratan Chandak and Co., Chartered Accountants dated July 31, 2024.*

In light of the above, we intend to continue our focus on customer acquisition strategies, marketing and promotional activities with the objective of reaching out to new as well as existing consumers, strengthening our engagement and promoting our brand. We plan to maintain our investment in marketing and advertising activities across historically successful mediums while expanding our marketing presence to adapt to shifts in consumers' media consumption habits. This strategy aims to increase our brands' awareness and affinity, thereby attracting more consumers to our platform. To assess marketing effectiveness, a better CPM (Cost Per 1000 Impression) is

a key performance indicator. For further details refer Chapter “Our Business - Our Business Strategy” on page no. 102.

We intend to utilize ₹ 1,100.00 lakhs from the Net Proceeds towards funding our future customer acquisition, advertising and marketing initiatives. We have historically incurred significant expenses on marketing and intend to continue these investments to drive our growth.

**(b) Funding the expansion of our geographical footprint**

Currently, we have a presence in the beauty and personal care segment in India only. However, our plan is to expand operations beyond India by exporting our products to UAE, Singapore, and Australia. By tapping into these foreign markets, we aim to extend our product reach to a broader customer base. This expansion aims to drive growth by entering new markets, increasing market share, and enhancing the company’s global presence.

To reach and create a global presence for our products, we will need to manage our IT infrastructure, develop our own websites according to international standards, secure government approvals, ensure cultural adaptation, establish logistics and supply chain networks. Furthermore, we may pursue strategic initiatives, such as partnerships and joint ventures, to facilitate our international expansion and to build our international presence. These collaborations will help us leverage local expertise and resources, ensuring a successful and efficient market entry. By addressing these key requirements, we can effectively expand our geographical footprint, tapping into new markets and driving growth while mitigating risks and challenges associated with international expansion. We intend to utilize the ₹ 315.00 lakhs from the Net Proceeds to fund these activities and ensure successful international expansion.

The quotation provided by the party for the implementation of the specified objectives is as follows:

Sr. No.	Description	Amount (Rs. In Lakhs)	Date of Quotation	Vendor	Validity
1	Global Expansion and Import-Export Management	315.00	June 29, 2024	Rashmi Novelty	6 months

*Note: (1) Above estimate is exclusive of GST. (2) We have neither entered into any definitive agreement with any vendors nor placed any orders. The amount and validity of the quotation can vary.*

**(c) Investment into research and product development**

At our company, we are deeply committed to research and development (R&D) activities that focus on designing and developing new products, which serve as a cornerstone for our business differentiation. Our ongoing efforts aim at achieving innovative enhancements to our existing product lines, ensuring we maintain a competitive edge in the market. By committing to significant investments in research and product development, we aim to drive innovation, enhance our product portfolio, and strengthen our position in the industry. These efforts are crucial for delivering value to our customers and achieving sustainable growth.

We plan to allocate ₹ 300.00 lakhs from the net proceeds towards investment in product development opportunities. This substantial investment will support the introduction of 10+ SKUs across our haircare, skincare, and bodycare segments, significantly expanding our product portfolio. Furthermore, we are planning to enter the nutraceutical segment, marking a strategic move to diversify and enhance our offerings. The expenses for product development will encompass various elements, including testing costs, material costs, manpower costs, overheads costs etc. In addition to organic growth through internal R&D efforts, the company may explore growth opportunities, such as acquisitions, strategic investments, and mergers, if the need arises and will proceed based on the board’s decision, fully complying with the Companies Act.

The quotation provided by the party for the implementation of the specified objectives is as follows:

Sr. No.	Description	Amount (Rs. In Lakhs)	Date of Quotation	Vendor	Validity
1	New Product Development and Research and Development	300.00	July 18, 2024	Actives Additives Applications LLP	6 months

*Note: (1) Above estimate is exclusive of GST. (2) We have neither entered into any definitive agreement with any*

vendors nor placed any orders. The amount and validity of the quotation can vary.

## 2. General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds aggregating to [●] lakh towards general corporate purposes and business requirements of our Company, subject to such amount not exceeding 25% of the Gross Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to, (i) investments in accordance with the investment policy of our Company, and (ii) meeting exigencies, salaries and meeting expenses incurred by our Company in the ordinary course of business as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013, incurred by our Company in the ordinary course of business, as may be applicable. Further, this portion of Net Proceeds may also be utilized to meet the shortfall in Net Proceeds for the Objects set out above.

In addition to the above, our Company may utilized the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and other applicable laws. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company from time to time.

### Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The Issue related expenses primarily include fees payable to the Lead Manager and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up of the estimated Issue expenses is set forth below:

Activity	Estimated Expense * (₹ in lakhs)	As a % of total estimated Issue related expenses	As a % of Issue size
BRLM fees (including underwriting, brokerage and selling commission)	[●]	[●]	[●]
Commission / processing fee for SCSBs, Sponsor Bank and Bankers to the Issue. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs. **	[●]	[●]	[●]
Fees payable to Registrar to the Issue	[●]	[●]	[●]
Fees payable to auditors, market research firms and other consultants / professionals	[●]	[●]	[●]
Other Expenses			
• Listing fees, SEBI Fees, upload fees, NSE and BSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
• Printing and Stationery	[●]	[●]	[●]
• Advertising and Marketing expenses	[●]	[●]	[●]
• Fees payable to Legal Advisors to the Issue	[●]	[●]	[●]
• Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Issue expenses include taxes, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

\*\* Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for Retail Individual Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)

<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

No additional bidding charges shall be payable by the Company to the SCSBs on the applications directly procured by them. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE and NSE.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidder and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking would be as follows:

Portion for Retail Individual Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹ [●] lakhs (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Retail Individual Investors and Non-Institutional Investors, as applicable.

Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Investors and Non-Institutional Investors (excluding UPI Bids) which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their sub-Syndicate members) would be as follows:

Portion for Retail Individual Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)

<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate/sub-Syndicate members will be determined (i) for RIIs, NIIs (up to ₹ [●] lakhs) on the basis of the application form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate/sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/sub-Syndicate member; (ii) for NIIs (above ₹ [●] lakhs), Syndicate ASBA Form bearing SM code and sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the exchange platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate members and not the SCSB.

Bidding charges payable to members of the Syndicate (including their sub-Syndicate members) on the applications made using 3-in-1 accounts would be ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub- Syndicate members). Bidding charges payable to SCSBs on the QIB Portion and NIIs (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹[●] per valid application (plus applicable taxes).

Bidding charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹ [●] lakhs (plus applicable taxes), in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Retail Individual Investors and Non-Institutional Investors, as applicable.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

Selling commission/ bidding charges payable to the Registered Brokers on the portion for Retail Individual Investors and Non-Institutional Investor which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application.

The Processing fees for applications made by Retail Individual Bidders or Individual investors bidding under the Non-Institutional Portion for an amount of more than ₹ [●] lakhs and up to ₹ [●] lakhs using the UPI Mechanism would be as follows:

[●]	<p>₹ [●] per valid Bid cum Application Form* (plus applicable taxes)</p> <p>The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</p>
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\* For each valid application.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

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 issuing (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for RIB and NIB bids up to ₹ 5 lakhs will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

### Schedule of Implementation

We propose to deploy the Net Proceeds for the previously mentioned purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(Rs. In Lakhs)			
Sr. No.	Particulars	FY 2024-2025	FY 2025-2026
1.	Funding our organic growth initiatives which includes		
	a. Marketing and awareness of our brand "Ravel"	700.00	400.00
	b. Funding the expansion of our geographical footprint	200.00	115.00
	c. Investment into research and product development	200.00	100.00
2.	General Corporate Purpose	[●]	[●]
	<b>Total</b>	[●]	[●]

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

### Funds Deployed and Source of Funds Deployed:

As on the date of this Draft Red Herring Prospectus, Our Company has not deployed any funds towards the objects of the Issue.

### Interim use of the Net Proceeds

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our

Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

**Appraising entity**

None of the Objects for which the Net Proceeds will be utilized have been appraised by any agency.

**Bridge financing facilities**

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

**Monitoring of utilization of funds**

As the Net Proceeds of the Issue will be less than ₹ 10,000 Lakhs, under the SEBI ICDR Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through our Audit Committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

**Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

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



## **BASIS OF THE ISSUE**

The Issue price will be determined by our Company, in consultation with the Lead Managers on the basis of an assessment of market demand for the Equity Shares issued through the book building method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue price is [●] times of the face value. Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on pages 100, 25, 146 and 182 respectively, to have an informed view before making an investment decision.

### **Qualitative factors**

We believe that some of the qualitative factors which form the basis for computing the Issue Price are:

- Experienced promoter and a proven track record;
- Asset Light Scalable Direct-to-Consumer (D2C) model;
- Robust Customer Relationships;
- We offer a diversified range of personalized products in the haircare, skincare and bodycare segment;
- Consistent track record of growth and financial performance;
- Strong technology backbone supported by a dedicated team;

For further details, see “Our Business – Our Business Strengths” on page 101.

### **Quantitative factors**

Certain information presented below relating to our Company is derived from the Restated Financial Statements. For further information, see “Restated Financial Statements” on page 146.

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

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

<b>Financial year / period ended</b>	<b>Basic EPS (₹)</b>	<b>Diluted EPS (₹)</b>	<b>Weight(x)</b>
March 31, 2024	10.18	10.18	3
March 31, 2023	1.12	1.12	2
March 31, 2022	(0.56)	(0.56)	1
<b>Weighted Average</b>	<b>5.37</b>	<b>5.37</b>	<b>6</b>

Notes:

1. The figures disclosed above are based on the Restated Financial Statements of the Company.
2. The face value of each Equity Share is ₹10.00.
3. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
4. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements.
5. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year.
6. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year.
7. The Company had issued 50,00,000 Equity Shares of face value of ₹ 10/- each on July 16, 2024, through a bonus share issue in the ratio of 1000:1 to all existing shareholders of the Company such bonus issuance has been considered while deriving at Basic and Diluted Earnings per Equity Share.

#### **2. Price/Earning (“P/E”) ratio in relation to price band of Rs. [●] to Rs. [●] per Equity Share:**

<b>Particulars</b>	<b>(P/E) Ratio at the Floor Price</b>	<b>(P/E) Ratio at the Cap Price</b>
P/E Ratio based on Basic & Diluted EPS as restated for FY 2023-2024	[●]	[●]
P/E Ratio based on Basic & Diluted EPS as restated for FY 2022-2023	[●]	[●]
P/E Ratio based on Basic & Diluted EPS as restated for FY 2021-2022	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]	[●]

Note: The P/E ratio of our Company has been computed by dividing Issue Price with EPS.

### 3. Industry P/E as on July 31, 2024

Industry P/E Ratio	
Highest (FSN E-Commerce Ventures Limited)	476.76
Lowest (Macobs Technologies Limited)	22.57
<b>Industry Average</b>	<b>249.66</b>

\*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company of FSN E-Commerce Ventures Limited & Macobs Technologies Limited.

Note: P/E Ratio of the company is based on the exchange announcement of the company for the year 2024 and stock exchange data dated July 31, 2024.

### 4. Return on Net Worth (RoNW):

Sr. No.	Financial year / period ended	RoNW (%)	Weight
1.	March 31, 2024	96.91%	3
2.	March 31, 2023	346.27%	2
3.	March 31, 2022	70.46%	1
<b>Weighted Average</b>		<b>175.62%</b>	<b>6</b>

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

### 5. Net Asset Value per Equity Share

Sr. No.	Net Asset Value per Equity Share	(₹)
1.	As on March 31, 2024	10.51
2.	As on March 31, 2023	0.32
3.	As on March 31, 2022	(0.80)
4.	NAV per Equity Share after the Issue	
	i) At Floor Price	[•]
	ii) At Cap Price	[•]
5.	Issue Price	[•]

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- NAV per share=Restated Net worth at the end of the year divided by total number of equity shares outstanding at the end of the year. (Based on weighted average number of shares).
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

## 6. Comparison with listed industry peers

(Rs. In crores except otherwise stated)

Name of the Company	Current Price	Market Capitalisation	Revenue	PAT	EBITDA	EBITDA Margin (in %)	Price to Earning	Debt	ROCE (In %)	ROE (In %)
Ravelcare Limited	[●]	[●]	22.08	5.09	6.71	30.38%	[●]	0.04	128.57%	187.41%
Macobs Technologies Limited	99.97	96.87	20.62	2.21	3.41	16.55%	22.57	2.50	30.53%	36.06%
FSN E-Commerce Ventures Limited	195.47	55,181.88	6,386	32.3	376	5.89%	476.76	969	6.84%	2.44%
Honasa Consumer Limited	467.57	15187.60	1,764	121	187.9	10.65%	121.76	110	17.7%	13.8%

Note: Industry Peer Set may be modified for finalization of Issue Price before filing Red Herring Prospectus with ROC.

- Considering the nature and turnover of business of our Company the peers listed above are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Ravelcare Limited are based on the restated financial statements as on March 31, 2024.
- The figures for the peer group are based on information available in public domain.
- P/E has been calculated on the latest available audited annual financial accounts sourced from Stock Exchange websites.
- Current Market Price (CMP) is the closing price of each scrip as on July 31, 2024.

## 7. The Issue price is [●] times of the face value of the Equity Shares

The price band/floor price/issue price will be determined by the issuer in consultation with the BRLM, on the basis of book- building on the basis of assessment of the market demand from investors for the Equity Shares and shall be justified in view of the above qualitative and quantitative parameter.

## 8. Key Financial & Operational Performance Indicators (KPIs)

(Amounts in ₹ Lakhs except ratios)

Key Performance Indicator	Financial Year 2023-2024	Financial Year 2022-2023	Financial Year 2021-2022
Revenue from operations <sup>(1)</sup>	2,208.78	349.36	78.86
Growth in revenue from operation (in %) <sup>(2)</sup>	532.23%	343.01%	-
EBITDA <sup>(3)</sup>	671.04	50.95	(21.78)
EBITDA Margin (in %) <sup>(4)</sup>	30.38%	14.58%	27.61%
PAT <sup>(5)</sup>	509.54	56.26	(28.19)
PAT Margin (in %) <sup>(6)</sup>	23.06%	16.10%	35.74%
Net worth <sup>(7)</sup>	525.78	16.25	(40.01)
ROE (in %) <sup>(8)</sup>	187.41%	(426.18)%	86.88%
Capital employed <sup>(9)</sup>	529.60	56.78	1.65
ROCE (in %) <sup>(10)</sup>	128.57%	89.19%	(1,362.49)%

Notes:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.

2. Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
3. EBITDA is calculated as Profit before tax + Depreciation & amortization + Finance Cost (-) Other Income
4. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
5. PAT = Net Profit Before Tax (-) Taxes.
6. PAT Margin (%) is calculated as PAT for the period/year divided by revenue from operations.
7. Net worth is aggregate value of the paid-up equity share capital of the Company and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, excluding revaluation reserves if any, as per Restated Financial Information.
8. Return on Equity (%) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by Net worth.
9. Capital Employed is calculated as total equity plus total borrowings and deferred tax liabilities minus intangible assets.
10. Return on Capital Employed is calculated as earnings before interest and taxes divided by Capital Employed. Earnings before interest and tax is calculated as restated profit / (loss) for the period / year plus total tax expense/ (credit) plus finance costs.

#### Explanation for KPI metrics

KPI	Description
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
Growth in revenue from operation	Growth in revenue from operation provides information regarding the growth of our business for respective periods
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
Net Worth	Net Worth is used by the management to ascertain the Total value created by the entity and provide a snapshot of current financial position of the entity.
ROE (%)	Return on equity provides how efficiently the Company generates profits from shareholders' funds.
ROCE (%)	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business.

#### 9. Key Financial & Operational Performance Indicators (KPIs) in comparison to industry peers:

*(Rs. in crores unless stated otherwise)*

Key Performance Indicator	Macobs Technologies Limited		
	Financial Year 2023-2024	Financial Year 2022-2023	Financial Year 2021-2022
Revenue from operations	20.62	14.78	6.01
Growth in revenue from operation (in %)	39.49%	145.82%	NA
EBITDA	3.41	2.86	0.56
EBITDA Margin (%)	16.55%	19.32%	9.38%
PAT	2.21	2.05	0.39
PAT Margin (%)	10.73%	13.84%	6.47%
Net Worth	9.83	2.45	0.40
ROE (%)	36.06%	143.76%	189.23%
ROCE (%)	30.53%	106.02%	96.30%

(Rs. in crores unless stated otherwise)

Key Performance Indicator	FSN E-Commerce Ventures Limited			Honasa Consumer Limited		
	Financial Year 2023-2024	Financial Year 2022-2023	Financial Year 2021-2022	Financial Year 2023-2024	Financial Year 2022-2023	Financial Year 2021-2022
Revenue from operations	6,385.63	5,143.80	3,773.94	1,919.90	1,394.80	931.76
Growth in revenue from operation (in %)	24.14%	36.30%	NA	37.65%	49.70%	NA
EBITDA	376.09	257.06	164.05	186.79	44.66	15.62
EBITDA Margin (%)	5.89%	5.00%	4.35%	9.73%	3.20%	1.68%
PAT	39.75	19.26	41.08	110.53	(120.56)	19.87
PAT Margin (%)	0.62%	0.37%	1.09%	5.76%	(8.64)%	2.13%
Net Worth	1,262.23	1,378.01	1,339.90	1,224.47	626.88	705.62
ROE (%)	3.01%	1.40%	3.07%	12.99%	(19.23)%	2.79%
ROCE (%)	7.82%	5.55%	6.87%	14.26%	(15.23)%	NA

#### 10. Price per share of our Company based on the primary issue of Shares

Other than as mentioned below, there has been no issuance of Equity Shares during the three years 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)), in a single transaction or multiple transactions combined together over a span of 30 days, Except as below:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
July 16, 2024	50,00,000	10	NA	Other than Cash	Bonus Issue

#### 11. Price per share of our Company based on the secondary sale / acquisition of Shares

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

The Issue is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above-mentioned information along with “Our Business”, “Risk Factors” and “Restated Financial Information” on pages 100, 25 and 146 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” or any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFIT

To,  
The Board of Directors,  
**Ravelcare Limited**  
Off-126, Neo Corporate Plaza, Cabin B,  
Ramchandra Lane Extension, Malad West,  
Mumbai – 400064, Maharashtra, India

### **Re: Proposed initial public offering of equity shares of face value of Rs. 10 each of Ravelcare Limited.**

We M/s. Ratan Chandak & Co, statutory auditors to the Company, Firm Registration Number 108696W, hereby confirm that the enclosed **Annexure A and B** provides the special tax benefits available to the Company and its shareholders pursuant to (i) the Income Tax Act, 1961, as amended by the Finance Act, 2023 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. 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 Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and is neither designed nor intended to be a substitute for professional tax advice.

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; or
- ii) The conditions prescribed for availing the benefits have been/would be met with; or
- iii) The revenue authorities/courts will concur with the views expressed herein.

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

This certificate, including **Annexure A and B** herein, is for your information and for inclusion in the draft red herring prospectus, and any other material used in connection with The issue (together the “**Offer Documents**”) with the Securities and Exchange Board of India (“**SEBI**”), and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Mumbai at Maharashtra (“**RoC**”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) may be prepared in connection with the Offer.

The aforesaid information contained herein and in **Annexure A and B** may be relied upon by the Book Running Lead Manager appointed pursuant to the issue and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the issue and for the records to be maintained by the Book Running Lead Managers.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the issue commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the issue documents.

Yours faithfully,

For,  
**M/s. Ratan Chandak & Co,**  
Chartered Accountants  
FRN: 108696W

Sd/-  
**CA Jagadish Sate**  
(Partner)  
Membership Number: 182935  
UDIN: 24182935BKBJAO3076P  
Date: July 24, 2024

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



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

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

## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, 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.*

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Red Herring Prospectus, including the information in “Our Business” and “Financial Information of our Company” beginning on pages 100 and 146 respectively of this Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “Risk Factors” beginning on page 25 of this Draft Red Herring Prospectus.

### **GLOBAL ECONOMIC OVERVIEW**

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge despite its severity and the associated cost-of living crisis did not trigger uncontrolled wage-price spirals (see October 2022 World Economic Outlook). Instead, almost as quickly as global inflation went up, it has been coming down. On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing.

Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access (see the April 2024 Global Financial Stability Report). Even more encouraging, we now estimate that there will be less economic scarring from the pandemic the projected drop in output relative to pre-pandemic projections for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its pre-pandemic trend. Resilient growth and faster disinflation point toward favourable supply developments, including the fading of earlier energy price shocks, the striking rebound in labour supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. The transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate demand up to now.

Despite these welcome developments, numerous challenges remain, and decisive actions are needed. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high sometimes stubbornly so and could derail the disinflation path. Bringing inflation down to target remains the priority.

Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as

well, including a fiscal stance that is out of line with long-term fiscal sustainability (see April 2024 Fiscal Monitor). This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs.

In the euro area, growth will pick up this year, but from very low levels, as the trailing effects of tight monetary policy and past energy costs, as well as planned fiscal consolidation, weigh on activity. Continued high wage growth and persistent services inflation could delay the return of inflation to target. However, unlike in the United States, there is scant evidence of overheating and the European Central Bank will also need to carefully calibrate the pivot toward monetary easing to avoid an excessive growth slowdown and inflation undershoot. While labor markets appear strong, that strength could prove illusory if European firms have been hoarding labor in anticipation of a pickup in activity that does not materialize. China's economy is affected by the enduring downturn in its property sector. Credit booms and busts never resolve themselves quickly, and this one is no exception. Domestic demand will remain lacklustre for some time unless strong measures and reforms address the root cause. Public debt dynamics are also of concern, especially if the property crisis morphs into a local public finance crisis. With depressed domestic demand, external surpluses could rise. The risk is that this will further exacerbate trade tensions in an already fraught geopolitical environment. At the same time, many other large emerging market economies are performing strongly, sometimes even benefiting from a reconfiguration of global supply chains and rising trade tensions between China and the United States. A troubling development is the widening divergence between many low-income developing countries and the rest of the world. For these economies, growth is revised downward, whereas inflation is revised up. Worse, in contrast with most other regions, scarring estimates for low-income developing countries, including some large ones, have been revised up, suggesting that the poorest countries are still unable to turn the page from the pandemic and cost-of-living crises. In addition, conflicts continue to result in loss of human lives and raise uncertainty. For these countries, investing in structural reforms to promote growth-enhancing domestic and foreign direct investment, and strengthening domestic resource mobilization, can help manage borrowing costs and reduce funding needs while achieving development goals. Efforts must also be made to improve the human capital of their large young populations.

Third, even as inflation recedes, real interest rates have increased, and sovereign debt dynamics have become less favourable in particular for highly indebted emerging markets. Countries should turn their sights toward rebuilding fiscal buffers. Credible fiscal consolidations help lower funding costs and improve financial stability. In a world with more frequent adverse supply shocks and growing fiscal needs for safety nets, climate adaptation, digital transformation, energy security, and defence, this should be a policy priority. Yet this is never easy, as the April 2023 World Economic Outlook documented: fiscal consolidations are more likely to succeed when credible and when implemented while the economy is growing, rather than when markets dictate their conditions. In countries where inflation is under control, and that engage in a credible multiyear effort to rebuild fiscal buffers, monetary policy can help support activity. The successful 1993 US fiscal consolidation and monetary accommodation episode comes to mind as an example to emulate.

Fourth, medium-term growth prospects remain historically weak. The main culprit is lower total factor productivity growth. A significant part of the decline comes from increased misallocation of capital and labor within sectors and countries. Facilitating faster and more efficient resource allocation can help boost growth. Much hope rests on artificial intelligence (AI) delivering strong productivity gains in the medium term. It may do so, but the potential for serious disruptions in labor and financial markets is high. Harnessing the potential of AI for all will require that countries improve their digital infrastructure, invest in human capital, and coordinate on global rules of the road. Medium-term growth prospects are also harmed by rising geoeconomic fragmentation and the surge in trade restrictive and industrial policy measures since 2019. Global trade linkages are already changing as a result, with potential losses in efficiency. But the broader damage is to global cooperation and multilateralism.

Finally, huge global investments are needed for a green and climate-resilient future. Cutting emissions is compatible with growth, as is seen in recent decades during which growth has become much less emissions intensive. Nevertheless, emissions are still rising. A lot more needs to be done and done quickly. Green investment has expanded at a healthy pace in advanced economies and China. Cutting harmful fossil fuel subsidies can help create the necessary fiscal room for further green investments. The greatest effort must be made by other emerging market and developing economies, which need to massively increase their green investment growth and reduce their fossil fuel investment. This will require technology transfer by other advanced economies and China, as well as substantial financing, much of it from the private sector, but some of it concessional.

## Global Economic Growth Outlook

Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies, including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries. The baseline forecasts for the global economy are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies:

- **Commodity price projections:** Prices of fuel commodities are projected to fall in 2024 by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. The decreases reflect abundant spare capacity and strong non-OPEC+ (Organization of the Petroleum Exporting Countries plus selected non-member countries, including Russia) supply growth. Coal and natural gas prices are expected to continue declining from their earlier peaks, by 25.1 percent for coal and 32.6 percent for natural gas in 2024, with the gas market becoming increasingly balanced on account of new supply, dampened demand, and high storage levels. The forecast for nonfuel commodity prices is broadly stable in 2024, with prices for base metals expected to fall by 1.8 percent, on account of weaker industrial activity in Europe and China. Food commodity prices are predicted to decline by 2.2 percent in 2024.
- **Monetary policy projections:** With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024. Among major central banks, by the fourth quarter of 2024, the Federal Reserve’s policy rate is expected to have declined from its current level of about 5.4 percent to 4.6 percent, the Bank of England to have reduced its policy rate from about 5.3 percent to 4.8 percent, and the European Central Bank to have reduced its short-term rate from about 4.0 percent to 3.3 percent. For Japan, policy rates are projected to rise gradually, reflecting growing confidence that inflation will sustainably converge to target over the medium term despite Japan’s history of deflation.
- **Fiscal policy projections:** Governments in advanced economies are expected to tighten fiscal policy in 2024 and, to a lesser extent, in 2025–26. Among major advanced economies, the structural fiscal-balance-to-GDP ratio is expected to rise by 1.9 percentage points in the United States and by 0.8 percentage point in the euro area in 2024. In emerging market and developing economies, the projected fiscal stance is expected to be, on average, broadly neutral in 2024, with a tightening of about 0.2 percentage point projected for 2025.



Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The projection for 2024 is revised up by 0.1 percentage point from the January 2024 WEO Update, and by 0.3 percentage point with respect to the October 2023 WEO forecast. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth rise slightly, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, whereas emerging market and developing economies are expected to experience stable growth

through 2024 and 2025, with regional differences.

### **Growth Forecast for Emerging Market and Developing Economies**

In emerging market and developing economies, growth is expected to be stable at 4.2 percent in 2024 and 2025, with a moderation in emerging and developing Asia offset mainly by rising growth for economies in the Middle East and Central Asia and for sub-Saharan Africa. Low-income developing countries are expected to experience gradually increasing growth, from 4 percent in 2023 to 4.7 percent in 2024 and 5.2 percent in 2025, as some constraints on near-term growth ease.

- Growth in emerging and developing Asia is expected to fall from an estimated 5.6 percent in 2023 to 5.2 percent in 2024 and 4.9 percent in 2025, a slight upward revision compared with the January 2024 WEO Update. Growth in China is projected to slow from 5.2 percent in 2023 to 4.6 percent in 2024 and 4.1 percent in 2025 as the positive effects of one-off factors including the post pandemic boost to consumption and fiscal stimulus ease and weakness in the property sector persists. Growth in India is projected to remain strong at 6.8 percent in 2024 and 6.5 percent in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.
- Growth in the Middle East and Central Asia is projected to rise from an estimated 2.0 percent in 2023 to 2.8 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.1 percentage point for 2024 from the January 2024 projections. The revision reflects a downward adjustment in the 2024 growth forecast for Iran driven by lower non-oil activity and oil revenues, as well as for a number of smaller economies.

Source : ([IMF World Economic Outlook April 2024](#))

## **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 in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% 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 first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodities. 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 rationalization 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.

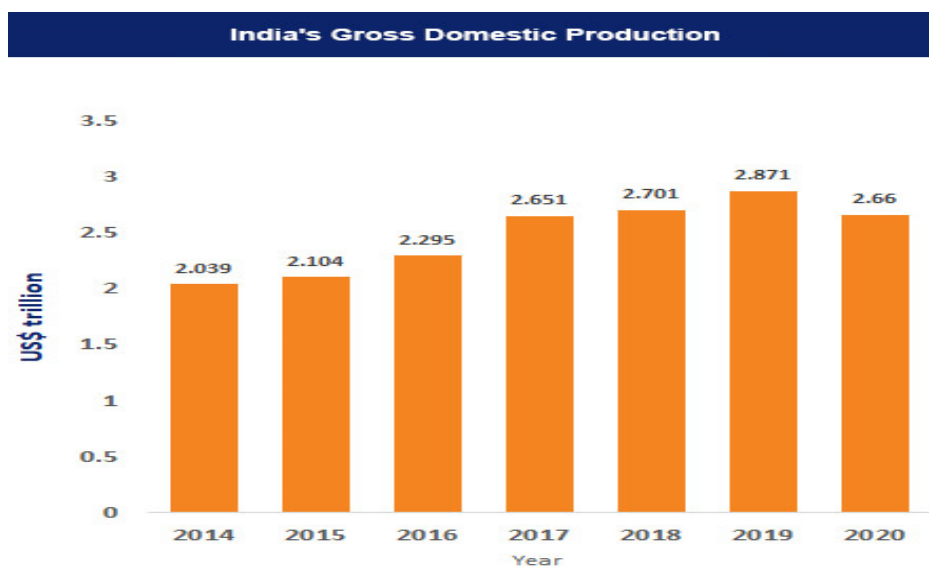
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable 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 in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn start-ups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech start-ups 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 period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3%



of GDP in the preceding quarter. This was largely due to higher service exports. 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 April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 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\$ 8.06 billion) in India during January-April 2024.

- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.

## 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:

- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.
- 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 'AtmaNirbhar 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 Antodaya 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.
- 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.
- 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 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.
- 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.
- 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.
- 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).
- 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. live lihoods 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 AtmaNirbhar 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 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).
- 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.
- 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.

## 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'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 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in Budget estimate 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in Revised estimate 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. 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).

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. 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>)

## **E-COMMERCE MARKET**

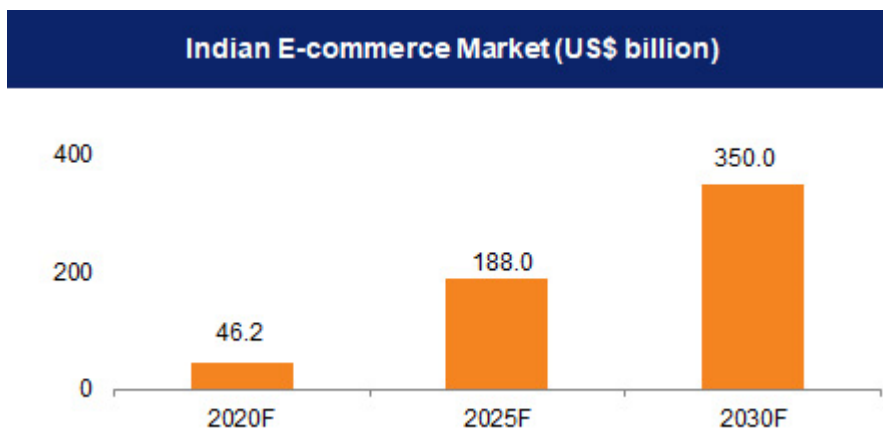
In recent years India has experienced a boom in internet and smartphone penetration. The number of internet connections in 2021 increased significantly to 830 million, driven by the 'Digital India' program. Out of the total internet connections, approximately 55% of connections were in urban areas, of which 97% of connections were wireless. The smartphone base has also increased significantly and is expected to reach 1 billion by 2026. This has helped India's digital sector and it is expected to reach US\$ 1 trillion by 2030. This rapid rise in internet users and smartphone penetration coupled with rising incomes has assisted the growth of India's e-commerce sector.

India's e-commerce sector has transformed the way business is done in India and has opened various segments of commerce ranging from business-to-business (B2B), direct-to-consumer (D2C), consumer-to-consumer (C2C) and consumer-to-business (C2B). Major segments such as D2C and B2B have experienced immense growth in recent years. India's D2C market is expected to reach US\$ 60 billion by FY 2026-27. The overall e-commerce market is also expected to reach US\$ 350 billion by 2030 and will experience 21.5% growth in 2022 and reach US\$ 74.8 billion.

### Market Size

India's consumer digital economy is expected to become a US\$ 1 trillion market by 2030, growing from US\$ 537.5 billion in 2020, driven by the strong adoption of online services such as e-commerce and edtech in the country. The Indian e-commerce industry is projected to reach US\$ 300 billion by 2030, experiencing significant growth. Third-party logistics providers are anticipated to manage approximately 17 billion shipments within the next seven years.

The e-retail market in India is projected to surpass US\$ 160 billion by 2028. In 2023, the market is estimated to be valued between US\$ 57-60 billion, marking a significant increase from previous years. This growth equates to an annual addition of US\$ 8-12 billion since 2020.



In FY23, the Gross Merchandise Value (GMV) of e-commerce reached US\$ 60 billion, increasing 22% over the previous year. In FY22, the GMV of e-commerce stood at US\$ 49 billion. With over 821 million users, India was the second-largest internet market in the world with 117.6 billion UPI transactions in 2023.

According to a Deloitte India Report, as India is moving towards becoming the third-largest consumer market, the country's online retail market size is expected to reach US\$ 325 billion by 2030, up from US\$ 70 billion in 2022, largely due to the rapid expansion of e-commerce in tier-2 and tier-3 cities. The e-commerce market's share of Tier-3 cities grew from 34.2% in 2021 to 41.5% in 2022, shows data.

The B2C E-commerce is expected to grow steadily over the forecast period, recording a CAGR of 8.68% during 2023-27. According to a recent report by RedSeer, India's e-B2B market is projected to reach a GMV of US\$ 100 billion by 2030.

According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025. Propelled by rising smartphone penetration, the launch of the 4G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017.

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

### Recent Development

Some of the major developments in the Indian e-commerce sector are as follows:

- The indigenous e-commerce giant Flipkart is poised to raise US\$ 1 billion in a new funding round, with its parent company Walmart anticipated to contribute US\$ 600 million.
- In 2023, Amazon India achieved significant milestones, including surpassing a seller base of 14 lakh with three lakh new additions, digitizing 6.2 million small businesses, facilitating US\$ 8 billion in exports, and generating 1.3 million jobs. Additionally, they committed to further digitizing 10 million businesses, enabling US\$ 20

billion in exports, and create two million jobs by 2025, while also signing an MoU with DGFT for MSME capacity-building initiatives.

- On February 6, 2024, Flipkart inaugurated its fourth grocery fulfilment centre in Malda, West Bengal, fostering over 700 local jobs and facilitating nationwide market access for local sellers, MSMEs, and farmers. The 1.13 lakh square feet center processes over 7,000 orders daily, affirming Flipkart's commitment to prompt delivery and enhancing regional economic prospects.
- In October 2023, a tech-driven logistics platform iThink Logistics announced a strategic collaboration with India Post to boost e-commerce deliveries across remote parts of the country.
- Amazon CEO Mr. Andy Jassy announced that the company is committed to investing US\$ 26 billion in India by 2030, out of which US\$ 11 billion has already been invested.
- As of May 2023, the Indian government's open e-commerce network ONDC has expanded its operations into 236 cities in the country while adding more than 36,000 merchants.
- In February 2022, Amazon India launched the One District One product (ODOP) bazaar on its platform to support MSMEs.

### **Government Initiative**

Since 2014, the Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India, and Innovation Fund. The timely and effective implementation of such programs will likely support the growth of E-commerce in the country. Some of the major initiatives taken by the Government to promote E-commerce in India are as follows:

- As of March 2024, the Government e-Market (GeM) portal served 5.8 million orders worth Rs. 3,87,006 crore (US\$ 46.67 billion) with 148,245 primary buyers and 215,743 secondary buyers.
- On February 14, 2024, the Ministry of Defence (MoD) announced that procurement through the Government e-Market (GeM) portal has exceeded Rs. 1 lakh crore (US\$ 12.06 billion), with nearly half of the transactions occurring in the current fiscal year. GeM, launched in 2016, facilitates online purchases for central government ministries. MoD has executed over 5.47 lakh orders, with approximately Rs. 45,800 crore (US\$ 5.52 billion) awarded this fiscal year. Notably, 50.7% of orders, totalling Rs. 60,593 crore (US\$ 7.31 billion) have been awarded to Micro and Small Enterprises (MSEs). GeM has emerged as a pivotal platform for optimizing public spending in the Defence sector, with the Ministry showcasing a resolute commitment towards efficient procurement practices.
- In FY23, the procurement of goods and services from the government portal crossed the Rs. 2 lakh crore (US\$ 24 billion) mark.
- National Retail Policy: The government had identified five areas in its proposed national retail policy—ease of doing business, rationalisation of the licence process, digitisation of retail, focus on reforms and an open network for digital commerce—stating that offline retail and e-commerce need to be administered in an integral manner.
- The Consumer Protection (e-commerce) Rules 2020 notified by the Consumer Affairs Ministry in July directed e-commerce companies to display the country of origin alongside the product listings. In addition, the companies will also have to reveal parameters that go behind determining product listings on their platforms.
- Under the Digital India movement, the Government launched various initiatives like Umang, Start-up India Portal, Bharat Interface for Money (BHIM) etc. to boost digitisation.
- In order to increase the participation of foreign players in E-commerce, the Indian Government hiked the limit of FDI in the E-commerce marketplace model to up to 100% (in B2B models).
- Heavy investment made by the Government in rolling out a fibre network for 5G will help boost E-commerce in India.

### **Road Ahead**

The E-commerce industry has been directly impacting micro, small & medium enterprises (MSME) in India by providing means of financing, technology and training and has a favorable cascading effect on other industries as well. The Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second-largest E-commerce market in the world by 2034. Technology-enabled innovations like digital payments, hyper-local logistics, analytics-driven customer engagement and digital advertisements will likely support the growth in the sector. ONDC enables e-commerce platforms to synchronize search results on all the e-commerce platforms and display products and services from every platform. This further boosts business for MSMEs and help fuel India's e-commerce growth. The growth in the sector will further encourage employment, increase revenues from exports, increase tax collection by exchequers, and provide better products and services to customers in the long term.

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

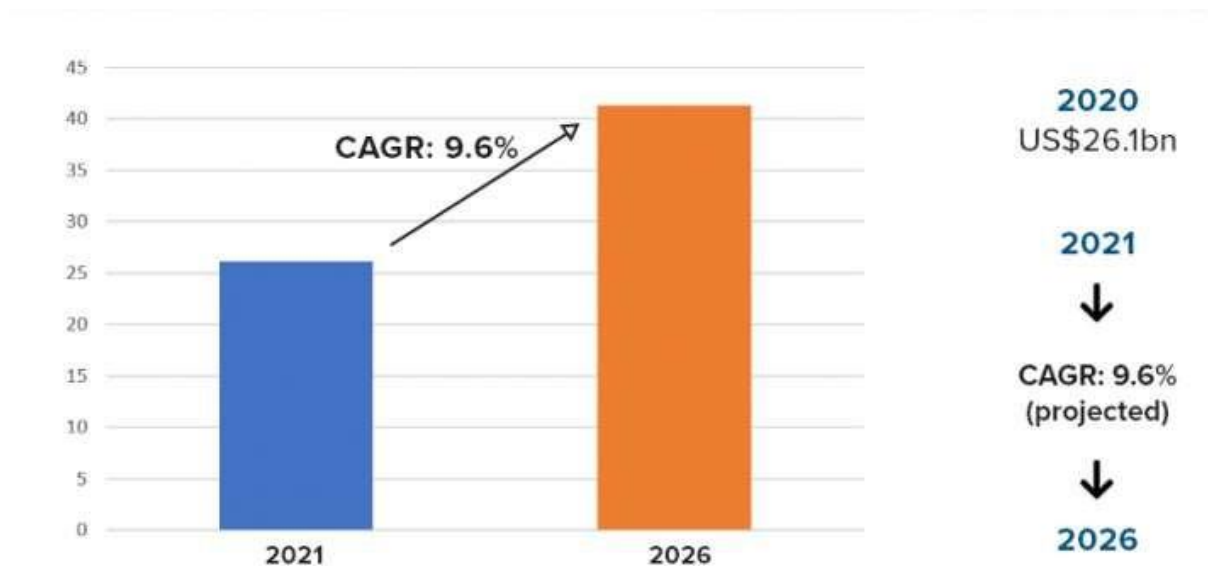
### **INDIAN BEAUTY AND PERSONAL CARE SECTOR**

Beauty and personal care market in India encompass the following sub-segments: Skincare, Oral Care, Hair Care, Men's Grooming, Makeup & Cosmetics, Fragrance, and Bath & Shower.

- The ecosystem for manufacturing of beauty and personal care products is spread out across the country; some of the prominent clusters are present in Himachal Pradesh, Gujarat, and Maharashtra.
- 90% of Manufacturing is localized in India across the value chain.
- Growing awareness, disposable income, increase in number of online and brick and mortar stores have been the key growth drivers for the sector.
- Skin care, Hair Care & Bath and Shower products have the largest market size within the beauty & personal care segment.

Source: (<https://investindia.gov.in/sector/consumer-goods/personal-care-hygiene>)

### **Indian Beauty and Personal Care Market**



### **Trends Shaping the Indian Beauty Sector**

- Increasing female working population and growing fashion trends.
- Rise of per capita expenditure among middle and upper-income.
- Increased adoption of men's personal care & grooming products.
- Increasing adoption of augmented reality in the beauty industry.
- Growing influence of social media to promote skincare & beauty.

### **Opportunities**

- High demand for natural, organic and herbal products.
- Growth of modern organized retail channels like department stores, supermarkets, specialty store chains, etc.
- Rural lifestyle and habits have started mirroring urban aspirations and lifestyle.
- A highly competitive ecommerce market due to internet penetration in masses.

Source: (<https://export.gov.il/wp-content/uploads/2023/12/lifestyle-Indian-Beauty-Market-Overview.pdf>)

## **COSMETIC INDUSTRY IN INDIA**

Over the last decade, India has seen consistent growth in the personal care and cosmetics market with increasing shelf space in boutiques and retail stores across the country. Many multinational brands have entered the Indian market, primarily aided by dedicated support structure and their respective pricing strategies. The Indian cosmetics industry is majorly categorised into skin care, hair care, oral care, fragrances, and colour cosmetics segments. The overall market share is expected to grow to US\$ 20 billion by 2025 with a Compound Annual Growth Rate (CAGR) of 25%. On the other hand, the global cosmetics industry is growing at 4.3% CAGR and will reach US\$ 450 billion by 2025.

By 2025, along with this growth, India will constitute 5% of the total cosmetics market and reach the top five global markets in terms of revenue. Additionally, the market will continue to rise strongly due to consumers' growing choice of speciality cosmetic products such as organic, herbal, and ayurvedic items. Colour cosmetics, perfumes, specialised skin care, hair care, and makeup cosmetics are the main industries predicted to increase. The market competition for domestic brands is increasing due to a growing number of international companies entering the Indian personal care and cosmetics market. Due to the widespread belief among customers that foreign brands are of higher quality; international cosmetics brands have had a significant impact on the Indian market. Aspirational customers have been drawn to these brands, which have accelerated the growth of the Indian market. Indian customers are switching from basic functional products to more sophisticated and specialised cosmetic products, which is driving up demand for high-end goods in India.

The Indian beauty market continues to be one of the fastest-growing ones in the entire world. India is one of the most attractive countries for multinational corporations aiming to increase their market share, with a population of over a billion people and rising disposable income.

### **Segmentation of the Cosmetic Industry**

The cosmetic industry in general consists of five segments which comprise skin care, hair care, fragrance, colour cosmetics, and oral care. A detailed study of all these segments is mentioned below:

- **Skin Care:** The skincare market in India is divided into five areas, including depilatory and other products for makeup removal, body and sun care, hand care, and facial care. The market is dominated by facial care products and their many variations. The skin care products market in India was worth US\$ 6.53 billion in 2022 and is expected to reach US\$ 8.84 billion by 2027 at a Compound Annual Growth Rate (CAGR) of 6.25%.
- **Hair Care:** The hair care market in India is divided into four segments, including hair oils, shampoos, hair colours, and hair styling products. In India, the category of hair care products has one of the highest penetration rates for beauty and personal care, and future sales are anticipated to be strong. Indian Hair Care market is predicted to reach US\$ 3.62 billion by 2026 with a CAGR of 2%. In 2022, the Hair Care segment accumulated revenue of US\$ 3.34 billion.
- **Fragrance:** Perfumes and deodorants make up the two divisions that make up the fragrance market. In terms of production, consumption, and imports, India has one of the largest fragrance markets, and it is currently expanding as more young people use perfumes and deodorants. The Indian Perfumes and Deodorants market stood at US\$ 368 million in 2022 and is projected to surpass US\$ 473 million by 2026 growing at a CAGR of over 6.4%.
- **Colour Cosmetics:** According to its goods, the colour cosmetics market is divided into four major categories: eye makeup, facial makeup, lip products, and nail products. As people become more mindful of their appearance and social media serves as an interface for global beauty trends, the market for colour cosmetics is only anticipated to rise in the coming years.
- **Oral Care:** The oral care market in India is divided into five categories, including toothpaste, toothbrushes, toothpowder, mouthwash, and additional oral care goods including dental floss and chewing gum. In India, the Oral Care segment generated revenues of over US\$ 1.78 billion in 2022, and the market is expected to grow at a CAGR of 4.5% between 2022-26 to reach US\$ 2.13 billion by FY26.

### **Key Growth Drivers of the Cosmetic Industry**

The cosmetics sector will continue to expand, reflecting the changing market trends. In this era of digital dominance, the businesses that provide customers with a highly personalised experience will be the real trendsetters in the cosmetics sector. Personalised packaging is currently popular, with items like name-engraved lipstick and intensely hydrating moisturizers.

Below are a few growth drivers which are fostering the growth of the cosmetic industry in India:

- **Rise in Disposable Income:** With the growth in disposable income, the growing generation aspires for a better standard of living. They are indulging in Western culture in terms of standards and personal care. The focus is primarily on the growth and improvement in the lifestyle of the rural population.
- **Impact of Globalization on Lifestyle:** As the economy and culture are opening on a global level, there's an increase in the adoption of Western culture. Globalization helps in easing cross-border transactions and creates the desire to access new products and services.
- **Increase in Consumption due to Cosmetic Trials:** Various brands offer advanced beauty treatment methods/ guides to consumers. It also provides various services like makeup trials, salon services, etc. This opens more customers to reach the brand and consume the offers before moving forward with the actual products.
- **Increasing Penetration of Channels:** The Indian cosmetic industry is also booming owing to an increase in the number of exclusive brand outlets, malls, and supermarkets. There has been a significant increase in direct-selling brands and click rates in cosmetic e-stores which boosts the growth of the cosmetic industry in India.
- **Adoption of natural products:** As the awareness about the long-term impacts of beauty products is spreading, people are shifting more towards Ayurveda and natural products. Meanwhile, a lot of companies that deal in herbal and ayurvedic products conduct various seminars to spread the word about the harmful effects of chemical products and how they can be treated with herbal ones. This eventually led to a significant growth in the demand for cosmetics products which are herbal and ayurvedic, eventually, contributing to the growth of the cosmetic industry.

Since customers are becoming more aware of the possible harm caused by chemicals and choosing products with natural ingredients, there is a growing trend towards natural and organic products. Numerous market competitors are providing vegan, paraben-free, fragrance-free, halal, and organic products in response to this demand, which is assumed to be safer for the skin and general health. Additionally, there is a trend towards products that promote health and wellness, such as anti-ageing and skin-brightening products. Consumers are moving to online shopping as it gives the ease and affordable prices that go along with it. There's accessibility to a variety of products from both domestic and foreign suppliers which boosts more growth.

### **Growth of the Cosmetic Industry in India**

One of the sectors with the highest growth in India is the beauty industry, which is predicted to continue expanding in the years to come. Manufacturing and distributing cosmetics, beauty items, appliances, and services are all included in this industry. As more people use the potential of the beauty industry in their daily routine for skincare and haircare instead of visiting doctors or taking medications, the beauty sector is no longer just about beauty and make-up; it is also threatening the treatment solution industry. India's beauty, cosmetics and grooming market will reach US\$ 20 billion by 2025. The market share of organised and unorganised will be 44:55 by 2025 from the existing ratio of 25:75.

The beauty industry in India will experience growth in the upcoming years. The passion for skincare and beauty among Generation Z has over time changed this business. With full access to social media to communicate their demands and obtain the goods and services they want; Gen Z is significantly more demanding in terms of goods and services. This is making it more difficult for all the beauty brands to compete and succeed. The COVID era has seen the industry shifting from offline stores to online sites leading to discontinuation of the premium products. Offering customised products could assist businesses in drawing in more clients because consumers are more likely to buy from companies that will meet their needs and supply goods that match their preferences. Customers frequently favour firms that can deliver the same services to them at home or that can create products specifically for them.

Natural and organic cosmetics are the main emphasis of India's cosmetics business going forward. It demonstrates a greater understanding of the negative skin-damaging consequences of cosmetics based on chemicals. India is blessed with natural cosmetics; thus, it is commendable that this age is gravitating towards them. The cosmetics sector in India has changed dramatically in recent years. It is quite amazing how quickly a market can develop into one of the most active cosmetic industries in the world. The Indian cosmetics sector is poised to surpass even more amazing milestones in the future with a compound annual growth rate (CAGR) that constantly exceeds averages for the rest of the world.

The shifting consumer landscape is one of the most compelling forces behind this expansion. More so than ever before, Indians are discriminating and quality-conscious. The market for cosmetics is expanding as disposable incomes grow and urbanisation quickens. Players in the industry, both established and new, will benefit greatly

from this growth. The landscape of the cosmetic industry has changed significantly because of the digital revolution. Consumers throughout the country now have easy access to various products thanks to e-commerce platforms. Anyone with an internet connection may now shop for cosmetics with unparalleled ease, from crowded cities to far-flung villages.

Firms are now able to connect deeply with their target demographic owing to digital marketing methods. Particularly social media has developed into a potent tool for firms to engage and communicate with consumers. As technology develops and the internet becomes more widely used in India, this trend is expected to intensify. (Source: <https://www.ibef.org/research/case-study/growth-of-the-cosmetic-industry-in-india>)

## **OUR BUSINESS**

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward Looking Statements” for a discussion of the risks and uncertainties related to those statements and the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our financial year ends on March 31 of each year, so all references to a particular fiscal year are to the Twelve-month period that ended on March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means Ravelcare Limited as on the date of this Draft Red Herring Prospectus.

The Restated Financial Statements used in this section, unless otherwise stated, is derived from our Restated Financial Statements, as restated and prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations as included in this Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Restated Financial Statements” beginning on pages 25 and 146 respectively.

### **Overview**

Our Company specializes in personalized haircare, skincare and bodycare products within the beauty and personal care industry. Our core mission is to redefine beauty standards by offering bespoke products meticulously crafted to meet the needs and preferences of customers. We focus on harnessing top-tier ingredients, cutting-edge product research, and direct customer feedback to curate exceptional formulations that deliver transformative results. Our dedication to personalized beauty regimens empowers individuals to embrace their distinctiveness and enhances their self-assurance. We aim to foster a movement towards personalized self-care by revolutionizing how people perceive and engage with beauty, thereby enhancing the overall customer experience. We believe that our marketing strategy is powered by our customer centric approach across various aspects of our business model, including our digital distribution channel and our data driven marketing and consumer engagement model.

Our business model focuses on a direct-to-consumer (D2C) approach, strategically leveraging e-commerce platforms and digital channels to engage with customers directly. Our core business is to deliver tailored haircare, skincare, and bodycare products.

Our Company’s product development process is deeply rooted in product research and innovation. We collaborate with experts in cosmetology to ensure our products meet the highest standards of safety and efficacy. Additionally, customer feedback plays a crucial role in refining our offerings, ensuring they consistently meet the evolving needs of our clientele. We leverage the data obtained from the customers to provide the tailor-made formulations to suit their needs.

### **Financial summary**

Our Key Financial and other Operational Performance Indicator relevant to our business are:

(₹ in lakhs unless otherwise stated)

<b>Particulars</b>	<b>FY 2023-2024</b>	<b>FY 2022-2023</b>	<b>FY 2021-2022</b>
Revenue from operations <sup>(1)</sup>	2208.78	349.36	78.86
Growth in revenue from operation (in %) <sup>(2)</sup>	532.23%	343.01%	NA
EBITDA <sup>(3)</sup>	671.04	50.95	(21.78)
EBITDA Margin (in %) <sup>(4)</sup>	30.38	14.58	27.61
PAT <sup>(5)</sup>	509.54	56.26	(28.19)
PAT Margin (in %) <sup>(6)</sup>	23.06	16.10	35.74
Net worth <sup>(7)</sup>	525.78	16.25	(40.01)
ROE (in %) <sup>(8)</sup>	187.41%	(426.18)%	86.88%
Capital employed <sup>(9)</sup>	529.60	56.78	1.65
ROCE (in %) <sup>(10)</sup>	128.57%	89.19%	(1362.49)%



**Notes:**

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
2. Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
3. EBITDA is calculated as Profit before tax + Depreciation & amortization + Finance Cost - Other Income
4. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
5. PAT =Net Profit Before Tax-Taxes.
6. PAT Margin (%) is calculated as PAT for the period/year divided by revenue from operations.
7. Net worth is aggregate value of the paid-up equity share capital of the Company and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, excluding revaluation reserves if any, as per Restated Financial Information.
8. Return on Equity (%) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by Net worth.
9. Capital Employed is calculated as total equity plus total borrowings and deferred tax liabilities minus intangible assets.
10. Return on Capital Employed is calculated as earnings before interest and taxes divided by Capital Employed. Earnings before interest and tax is calculated as restated profit / (loss) for the period / year plus total tax expense/ (credit) plus finance costs.

***Our Business Strengths******Digital Distribution Channel***

Our Company adopts a direct-to-consumer model, selling products directly through our website as well as from e-commerce websites such as Amazon and Flipkart. This approach eliminates intermediaries, allowing us to maintain control over the entire customer experience, from discovery to delivery. It also enables us to offer competitive pricing by reducing distribution costs. Our digital strategy encompasses a variety of channels, including social media, email campaigns, WhatsApp and SMS marketing and targeted online advertising. By engaging with customers across multiple touchpoints, we build strong brand awareness and foster a loyal community. Our online presence is designed to be interactive, informative, and responsive, ensuring that we meet the needs of our consumer base. Our digital distribution helps us to launch products in an efficient manner by enabling us to capture consumer feedback.

The below table represents revenue from operations from digital distribution channel:

Category-wise Sales in India	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(Rs. in lakhs)	%	(Rs. in lakhs)	%	(Rs. in lakhs)	%
Our Website	2,118.32	95.90	344.51	98.61	78.86	100.00
E-commerce Website	90.46	4.10	4.85	1.39	NA*	NA*
<b>Total</b>	<b>2,208.78</b>	<b>100.00</b>	<b>349.36</b>	<b>100.00</b>	<b>78.86</b>	<b>100.00</b>

\*Our Company has started selling products through E-commerce websites since FY 2022-23.

***Data-Driven Decision Making***

We leverage customer data to gain insights into consumer behaviour, preferences, and emerging trends. This data is critical for continuous product innovation and enhancement. By analysing customer feedback, market trends and purchasing patterns, we can swiftly adapt our offerings and marketing strategies for ensuring better services to our target customers.

***Research and Development***

Our products are developed in collaboration with formulation chemists who specialize in haircare, skincare and bodycare formulations. This collaboration ensures that our formulations are backed by cutting-edge product research and adhere to the highest standards of quality and efficacy. With advances R&D efforts we focus on leveraging the latest advancements in beauty science to deliver effective and innovative products.

***Strong Customer Relationships***

Building and maintaining strong relationships with our customers is a core focus for our Company. Through

personalized consultations and continuous engagement, we cultivate trust and loyalty. Our commitment to customer satisfaction drives customer loyalty and client retention. The word-of-mouth referrals that our brand receives also play a significant part in attracting customers which is essential for sustainable growth. For the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 we had 19.38%, 14.35%, 19.19% repetitive customers respectively.

#### *Scalable and Sustainable Operations*

Our business model and operations are designed to be lean and scalable, with the flexibility to expand our product line and market reach as demand grows. We are committed to sustainability, ensuring that our products and packaging are environment friendly and that our operations minimize ecological impact. By integrating these components, we are positioned to offer a unique, high-quality, and personalized beauty experience. Our business model not only meets the demands of today's consumers but also adapts to future trends and innovations in the beauty and personal care industry. For the financial year 2024 and financial year 2023, our number of units delivered was 6,53,565 and 1,38,559 respectively depicting growth by 4.72 times. We have strategically built an asset-light scalable business model by developing in-house capabilities for strategic functions such as technology, product innovation and marketing while outsourcing other operations such as manufacturing, as indicated by our restated profit before tax of ₹ 680.88 lakhs and our net worth of ₹ 525.78 lakhs, for the Financial Year ended March 31, 2024.

#### ***Our Business Strategy***

Our business strategy is centred on delivering personalized beauty solutions that cater to the unique needs of each customer. Our approach combines innovative product development, a direct-to-consumer model, robust digital marketing, and a commitment to customer satisfaction. Below are the key elements of our business strategy:

##### *Personalization at Scale*

- Customized Products: We offer personalized haircare, skincare and bodycare products tailored to individual customer profiles. By collecting detailed data through our consultation process, we assign formulations that address specific hair, skin and body concerns, ensuring optimal results.
- Advanced Technology: By Leveraging advanced data science and analytics, we continuously refine our personalized formulas to improve product recommendations and enhance customer satisfaction.

##### *Direct-to-Consumer (D2C) Model*

- E-commerce Focus: Our primary sales channel is our website, allowing us to maintain control over the customer experience and gather valuable data directly from our customers.
- Digital Marketplace Strategy: In addition to our website, we also utilize e-commerce marketplaces such as Amazon and Flipkart to reach a broader audience, expanding our market presence and driving sales growth.
- Eliminating Intermediaries: By surpassing traditional retail channels, we reduce costs and pass on savings to our customers, offering high-quality products at competitive prices.

##### *Digital Marketing and Engagement*

- Targeted Advertising: We use digital and social media ads to reach our target audience effectively. Our data-driven approach ensures high relevance and engagement, maximizing our return on ad spend (ROAS).
- Creative Testing: Continuous testing of ad creatives, landing pages, and messaging helps us optimize our marketing campaigns for better performance and higher conversion rates.
- Content Marketing: Through informative, videos, and social media content, we educate consumers about personalized beauty, building brand authority and trust.
- WhatsApp and SMS Marketing: These channels allow us to engage with customers directly, providing personalized offers and updates that drive conversions and repeat business.
- Influencer Marketing: We leverage the influencers' persuasive power to convert their followers into customers.
- Table below represents the cost per 1000 impressions for the last three financial years.

(Amount in ₹ unless otherwise stated)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Amount spent	4,66,56,623	1,21,96,666	18,57,643
Total Impressions (In quantity)	105,37,75,611	26,65,92,137	5,19,63,173
Cost Per 1000 Impressions	44.28	45.75	37.75

Note: Cost per 1000 Impressions (CPM) is calculated by dividing amount spent with total impressions and then multiplying it by 1000.

#### Strong Customer Relationships

- Exceptional Customer Service: Our dedicated support team ensures that customers receive timely assistance and personalized care. We offer reformulations and replacements if customers are not satisfied with their initial purchase, fostering loyalty and trust.
- Loyalty Programs: We incentivize repeat purchases and long-term engagement through, exclusive discounts and early access to new products.

#### Sustainable Practices

- Ethical Sourcing: We prioritize the use of ethically sourced, high-quality ingredients in our formulations, ensuring that our products are both effective and environmentally responsible.
- Sustainable Packaging: We are committed to minimizing our environmental footprint by using sustainable packaging materials and reducing waste throughout our supply chain.

#### Our Business Process

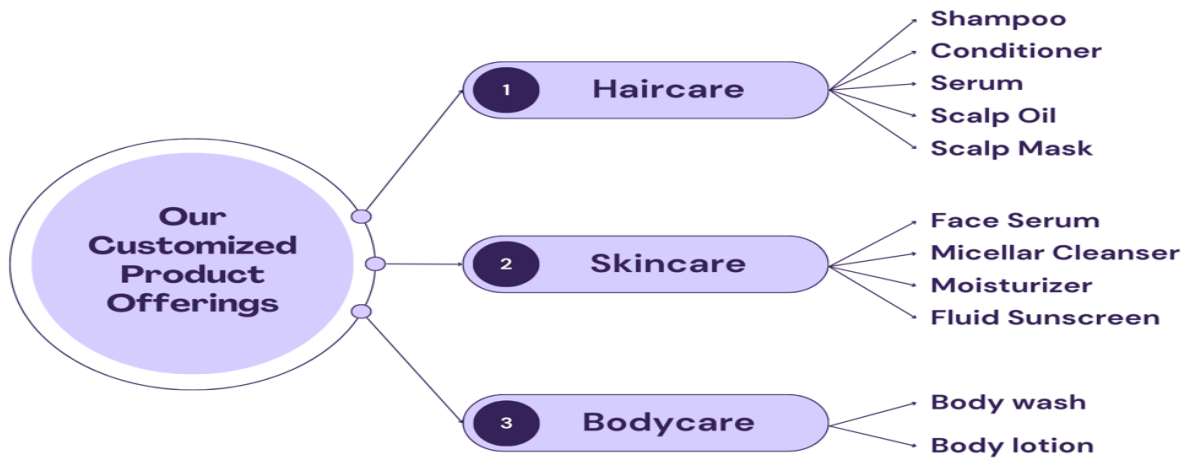
Overview of how we ensure seamless processing of our orders from order placement till the customer feedback:



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**Product Offering:**

Our diverse product portfolio encompasses three main categories: Customized Haircare, skincare and Bodycare each meticulously designed to cater to individual needs and preferences:



**Customized Haircare:** Our haircare range offers a comprehensive selection of shampoos, conditioners, treatments, and styling products. Tailored to diverse hair types and concerns, our solutions enable customers to personalize their haircare routine to combat issues ranging from frizz and damage to dandruff and hair fall. Through customizable formulas and personalized recommendations, we empower individuals to achieve optimal hair health and vitality.

**Customized Skincare:** Our skincare line features a comprehensive array of products, including cleansers, serums, moisturizers, sunscreen and targeted treatments, crafted to address specific skin concerns such as aging, acne, dryness, and sensitivity. Our offerings empower clients to tailor their skincare regimen according to their unique skin type, goals, and ingredient preferences.

**Customized Bodycare:** Our Customized Bodycare products encompass body wash and body lotion, contributing to nourishing, moisturizing, and rejuvenating the skin.

Here's a comprehensive overview of our product offerings across haircare, skincare, and body care, categories:

**Hair Care Products:**





- Shampoo  
We offer shampoos designed to cleanse the scalp and hair while addressing specific hair concerns. Options include hydrating shampoos, volumizing shampoos, clarifying shampoos, and color-safe formulas customized for different hair types.
- Conditioner  
Our custom conditioners provide deep conditioning, detangling, and protection for smoother, more manageable hair. Formulated with nourishing ingredients, these conditioners enhance texture, shine, and resilience.
- Hair Serum  
Our hair serums address frizz control, heat protection, shine enhancement, and split end repair. These lightweight formulas offer nourishment and protection without weighing down the hair.
- Scalp Oil  
Our scalp oils nourish the scalp, promote hair growth, and maintain scalp health with custom blends of essential oils, vitamins, and botanical extracts to address dryness, itchiness, and dandruff.
- Scalp Mask  
Our scalp masks offer intensive treatment for scalp concerns like dryness, flakiness, and sensitivity, in order to soothe, moisturize, and balance the scalp environment for healthier hair growth.

**Skincare Products**



- Sunscreen  
We provide sunscreens tailored to individual skin types, SPF preferences, and desired textures (e.g., lightweight, non-greasy etc.), offering broad-spectrum protection against UVA and UVB rays while nourishing and hydrating the skin.
- Serum  
Our serums target specific skin concerns such as hydration, anti-aging, brightening, and acne control, formulated with potent active ingredients like hyaluronic acid, vitamin C, and niacinamide to deliver targeted benefits.
- Face Cleanser  
Our face cleansers effectively remove impurities, dirt, and makeup without stripping the skin's natural oils.
- Face Cream  
Our face creams provide long-lasting hydration, nourishment, and protection, formulated with moisturizing ingredients and antioxidants for maintaining a healthy complexion.

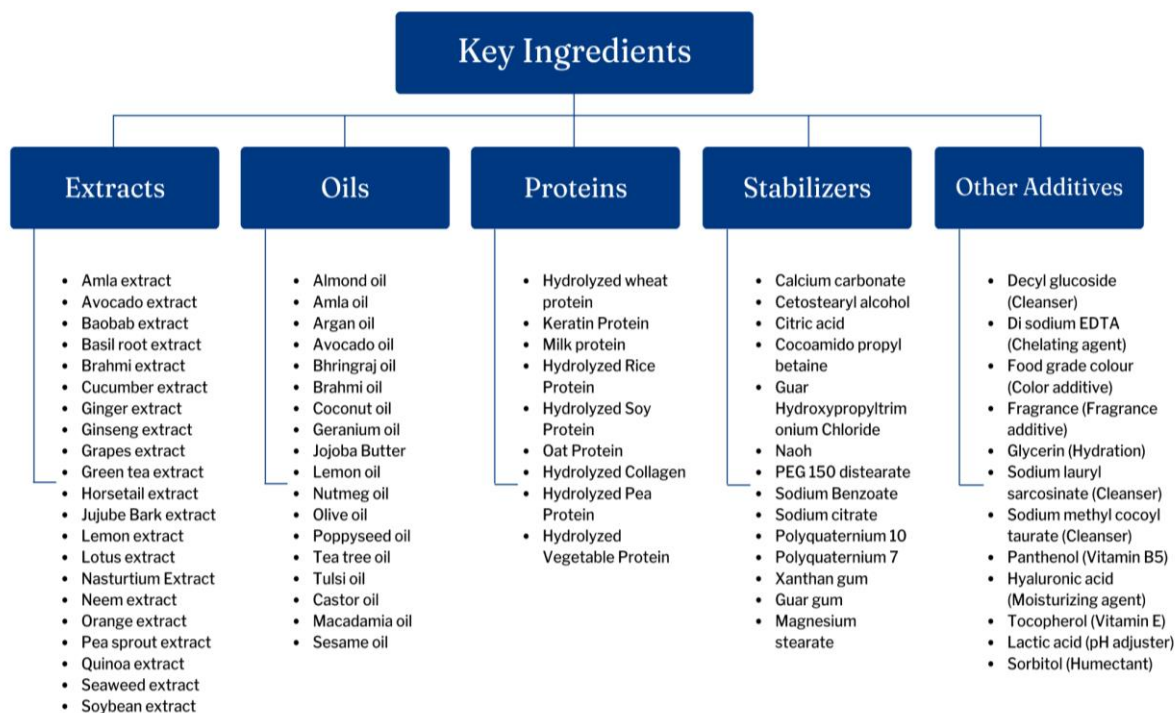
### ***Body Care Products***



- Body Wash  
Our body wash cleanse and refresh the skin while preserving its natural moisture balance. Our body wash line includes hydrating body washes, exfoliating body scrubs, and gentle cleansers customizable with preferred scents and ingredients.
- Body Lotion  
Our body lotion offers deep hydration, nourishment, and skin-smoothing benefits, which includes moisturizing agents, vitamins, and botanical extracts for soft, supple, and rejuvenated skin.

### ***Ingredients utilized in our products.***

Our products are formulated with high-quality natural ingredients to ensure both safety and efficacy. The selection process emphasizes on ingredients that cater to different needs while being free from harmful chemicals. Our commitment to ingredients, quality and safety is paramount. We meticulously evaluate each ingredient for its safety profile and efficacy to ensure that our formulations deliver exceptional results while prioritizing customers hair, skin and body and health.



**Clean Beauty Standards:** Our Company adheres to strict clean beauty standards, ensuring our products are free from sulphates, parabens, Genetically Modified Organism (GMO), alcohol, mineral oil, formaldehyde, phthalates, synthetic fragrances, triclosan.

**Naturally-Derived Ingredients:** We prioritize naturally-derived ingredients, carefully selecting each one in optimized dosages based on customer specific requirements. Our formulations are crafted with high-performing ingredients sourced from trusted partners.

**Optimized Dosages:** We believe in the power of targeted ingredients working synergistically to deliver optimal results. Our innovative approach focuses on using fewer, high-quality ingredients in precise dosages to enhance efficacy and minimize unnecessary additives.

**Cruelty-Free and Free from Harmful Additives:** Our formulas are cruelty-free and free from sulphates, parabens, Genetically Modified Organism (GMO), alcohol, mineral oil, formaldehyde, phthalates, synthetic fragrances, triclosan. We offer customizable options such as dye-free, and fragrance-free formulations to cater to diverse preferences and needs.

***Significance of 'Ravel' as a brand***

# Ravel

“Ravel” as a brand represents a commitment to crafting products that prioritize the health and well-being of our customers. By formulating each item without sulphates, parabens, and GMOs, ensuring they are cruelty-free, we adhere to stringent quality standards while addressing the increasing consumer demand for clean, ethical beauty solutions. This dedication distinguishes our Company as a reliable and socially conscious brand, fostering strong trust and loyalty within our customer community.

### Geographical Sales break up of our products

The sales distribution of our product offerings across India is as follows:

Category-wise Sales in India	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(Rs. in lakhs)	%	(Rs. in lakhs)	%	(Rs. in lakhs)	%
North <sup>(1)</sup>	714.63	32.35	107.48	30.77	28.60	36.27
East <sup>(2)</sup>	205.87	9.32	33.86	9.69	8.74	11.08
West <sup>(3)</sup>	821.29	37.18	117.28	33.57	18.91	23.98
South <sup>(4)</sup>	466.99	21.14	90.74	25.97	22.61	28.67
<b>Total</b>	<b>2,208.78</b>	<b>100.00</b>	<b>349.36</b>	<b>100.00</b>	<b>78.86</b>	<b>100.00</b>

(1) Covers Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Ladakh, Punjab, Rajasthan, Uttar Pradesh, and Uttarakhand in India.

(2) Covers Arunachal Pradesh, Assam, Bihar, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Sikkim, Tripura and West Bengal in India

(3) Covers Chhattisgarh, Dadra and Nagar Haveli, Daman and Diu, Goa, Gujarat, Madhya Pradesh, and Maharashtra in India.

(4) Covers Andaman and Nicobar Islands, Andhra Pradesh, Karnataka, Kerala, Pondicherry, Tamil Nadu, and Telangana in India.

### Product wise Sales Break up

The sales distribution of our product offerings across haircare, skincare and body care categories is as follows:

Product-wise sales in India	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(Rs. in lakhs)	%	(Rs. in lakhs)	%	(Rs. in lakhs)	%
Haircare	2,113.78	95.70	339.56	97.19	76.35	96.82
Skincare	40.00	1.81	NA*	NA*	NA*	NA*
Bodycare	55.00	2.49	9.80	2.81	2.51	3.18
<b>Total</b>	<b>2,208.78</b>	<b>100.00</b>	<b>349.36</b>	<b>100.00</b>	<b>78.86</b>	<b>100.00</b>

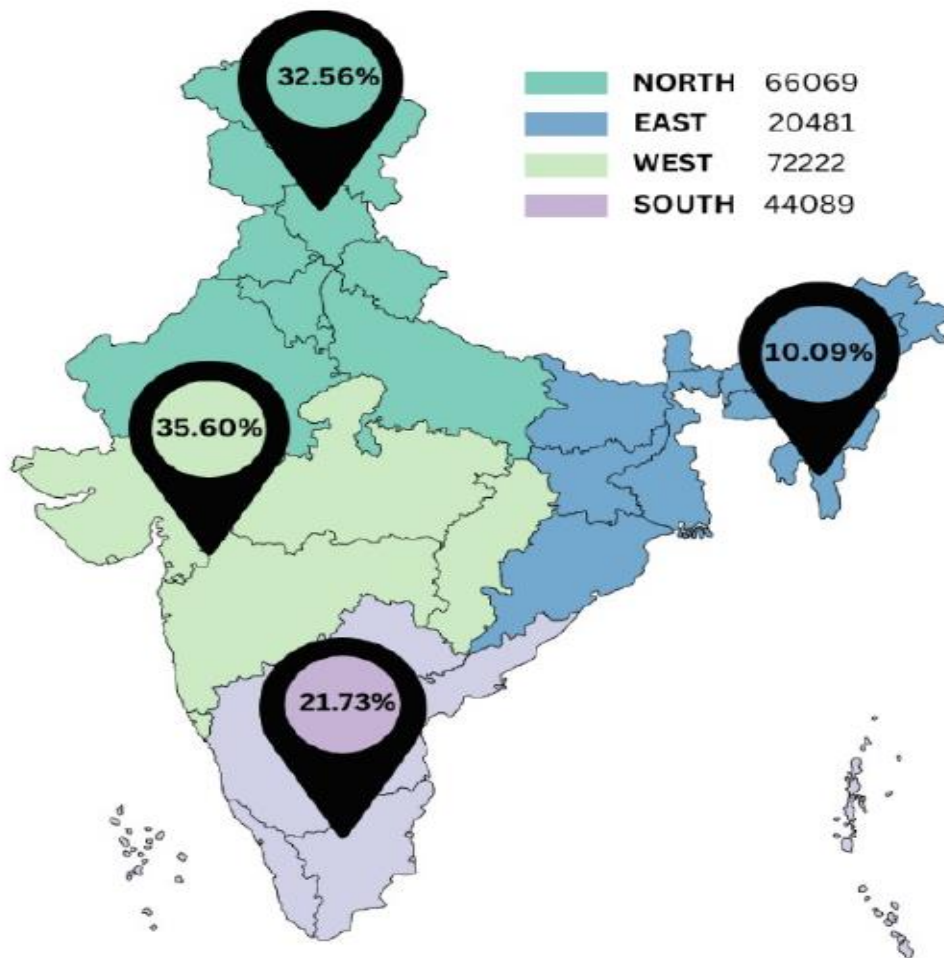
\*Company has launched its skincare product segment in the FY 2023-24.

Product-wise units sold in India	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(Quantity)	%	(Quantity)	%	(Quantity)	%
Haircare	6,36,878	97.45	1,35,172	97.56	22,241	96.72
Skincare	6,525	1.00	NA*	NA*	NA*	NA*
Bodycare	10,162	1.55	3,387	2.44	754	3.28
<b>Total</b>	<b>6,53,565</b>	<b>100.00</b>	<b>1,38,559</b>	<b>100.00</b>	<b>22,995</b>	<b>100.00</b>

\*Company has launched its skincare product segment in the FY 2023-24.

As on date of this DRHP, we have served 2,02,861 customers on Pan India basis. The region wise customer distribution is depicted as follows:





## ***Marketing Strategy***

### *Digital Marketing Channels:*

We maximize our digital presence through various online platforms, including social media giants like Meta Google and other platforms. Additionally, the company leverages email marketing initiatives and online advertising avenues to effectively connect with and captivate its desired consumer base. Content marketing plays a pivotal role in Company's digital strategy, with a primary focus on disseminating educational content, beauty insights, product tutorials, and user-generated materials. These efforts are aimed at establishing and fortifying brand credibility and fostering a sense of trust among its audience.

### *E-commerce Optimization:*

We prioritize enhancing the online shopping journey on its website by employing a user-friendly approach. This includes intuitive interface design, comprehensive product details, streamlined customization features, and a frictionless checkout process. The company implements Search Engine Optimization (SEO) techniques to bolster its visibility across search engine results pages.

### *Customer Relationship Management (CRM):*

We integrate advanced CRM tools to gather and analyse comprehensive customer data, encompassing preferences and purchase history. This enables the development of finely-tailored marketing initiatives, precision-targeted promotions, and bespoke loyalty programs. The company fosters continuous engagement with its clientele through personalized communication channels, including customized emails, and exclusive offers, ensuring a personalized and enduring rapport.

### *Performance Marketing:*

We employ performance-based marketing methodologies, including Pay-Per-Click (PPC) advertising, retargeting campaigns, and affiliate marketing, to stimulate conversions, maximize Return on Investment (ROI), and achieve tangible outcomes. The company meticulously tracks key performance indicators (KPIs) such as conversion rates, Customer Acquisition Cost (CAC), Customer Lifetime Value (CLV), and Return on Ad Spend (ROAS), leveraging these insights to fine-tune and optimize marketing strategies for optimal effectiveness and efficiency.

### *Community Building and Engagement:*

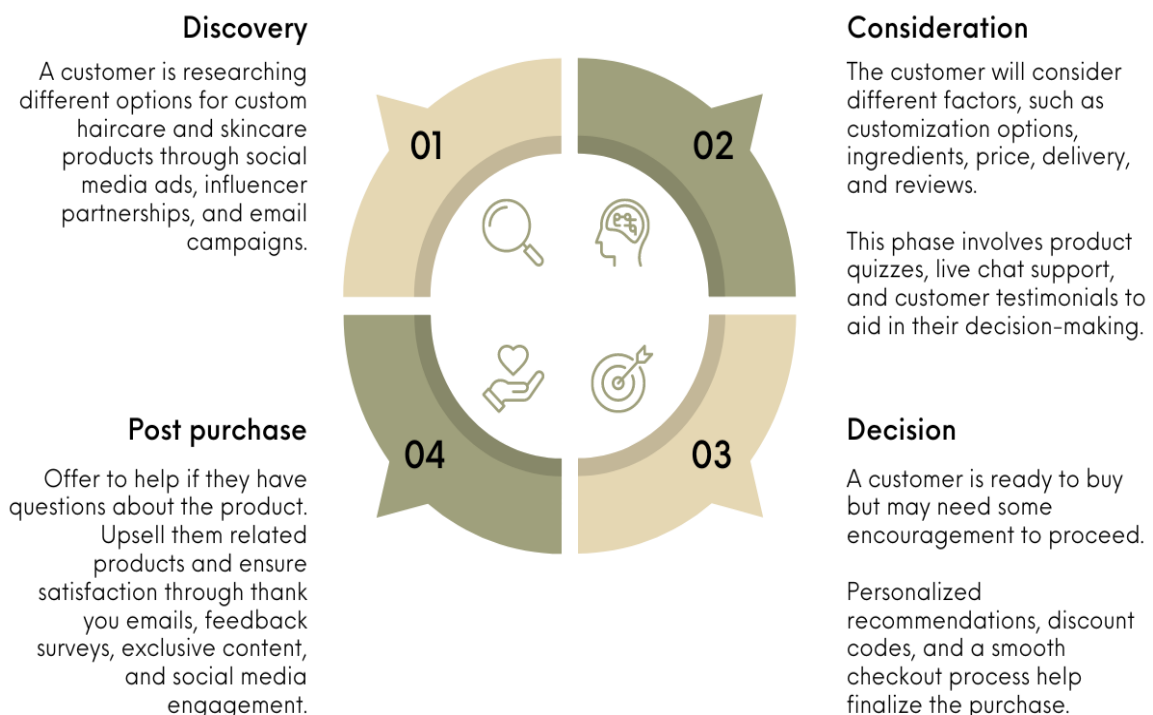
We prioritize the establishment of a vibrant community comprising brand advocates and devoted customers, achieved through active participation in social media interactions, initiatives promoting user-generated content, and accessible platforms for customer feedback. The company actively solicits and promotes customer reviews, testimonials, and referrals, recognizing their pivotal role in cultivating a favourable brand reputation and driving impactful word-of-mouth marketing efforts.

### *Influencer Marketing*

Our company is leveraging influencer marketing as part of its broader marketing strategy to enhance brand visibility, credibility, and customer engagement. We collaborate with influencers whose followers match our target demographics. While selecting the influencers we consider factors such as follower count, engagement rate, content style, and relevance to our industry. We select influencers whose audience aligns with our target market.

Our marketing strategy is meticulously designed to harness the power of digital marketing methodologies, customized customer interactions, astute partnerships, and influential collaborations. These strategic manoeuvres serve as the cornerstone for reaching its intended demographic, propelling brand recognition, fostering clientele growth, and ensuring lasting customer loyalty. Here's a breakdown of the pivotal components within Ravel's marketing blueprint. Our marketing expense for ₹526.59 lakhs, ₹122.80 lakhs and ₹49.63 lakhs, for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

## Marketing Lifecycle



### ***Our Customers & Suppliers***

The following is the breakup of the top customers/suppliers of our Company for the periods indicated below:

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>		<b>For the year ended March 31, 2023</b>		<b>For the year ended March 31, 2022</b>	
	<b>(Rs. in lakhs)</b>	<b>%</b>	<b>(Rs. in lakhs)</b>	<b>%</b>	<b>(Rs. in lakhs)</b>	<b>%</b>
Top Customer	0.33	0.01	0.66	0.19	0.24	0.30
Top 5 Customers	1.48	0.07	2.27	0.65	1.14	1.45
Top 10 Customers	2.64	0.12	3.64	1.04	2.16	2.74

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>		<b>For the year ended March 31, 2023</b>		<b>For the year ended March 31, 2022</b>	
	<b>(Rs. in lakhs)</b>	<b>%</b>	<b>(Rs. in lakhs)</b>	<b>%</b>	<b>(Rs. in lakhs)</b>	<b>%</b>
Top Supplier	451.02	72.97	72.88	52.07	16.88	79.83
Top 5 Suppliers	570.50	92.30	126.87	90.64	20.19	95.48
Top 10 Suppliers	603.07	95.88	136.20	97.31	21.04	99.49

### ***Supply chain and Logistics***

We have established an efficient and robust supply chain and logistics network to ensure timely and accurate delivery of our high-quality products to customers. Orders are processed in three distinct phases to maintain efficiency and precision at every step.

#### **Order Processing Phases:**

1. **Order Placement and Verification:** Customers place orders, which our support team then verifies. This step includes communicating the product benefits and identifying any specific customer needs.
2. **Customization and Packaging:** Our operations team customizes products according to customer specifications, while the packing team ensures personalized and secure packaging.
3. **Order Delivery:** Our delivery team ensures timely dispatch and delivery of orders. We work with several courier aggregators who utilize a mix of multiple courier partners, employing both air and surface transportation. This extensive network helps in managing any issues and addressing failed deliveries effectively.

#### **Our Logistics Network**

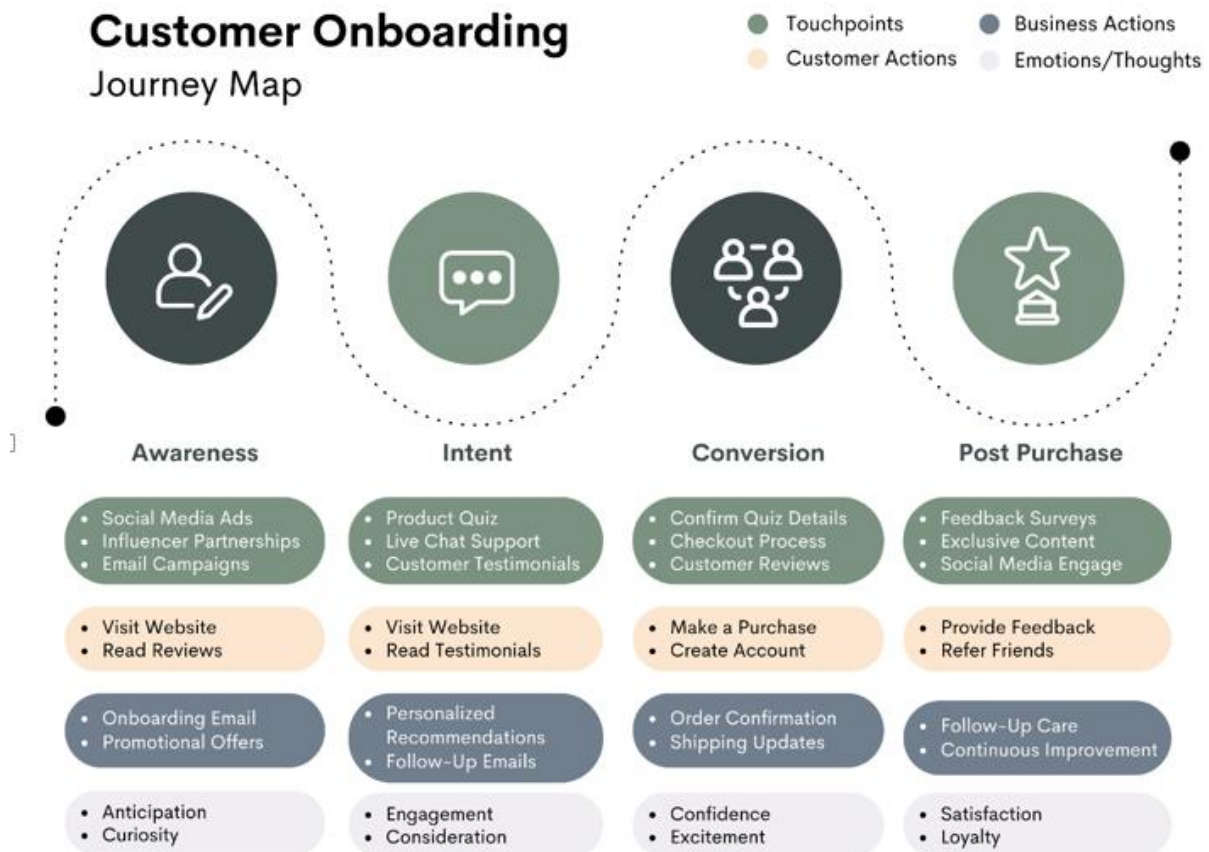
We operate nine fulfilment centers across three states i.e., Haryana, Karnataka and Maharashtra allowing us to efficiently cover a wide geographic area. This distribution network, combined with our courier partners, enables us to optimize timely delivery and reach, ensuring customers receive their orders promptly.

### ***Innovation and Product Development***

We focus on product innovation as a key differentiator of our business. We use multiple tools and capabilities that enable us to identify new and emerging trends quickly. As on date of this DRHP, we have 11 master SKUs and 40 child SKUs. We introduced 4 SKUs and 3 SKU in haircare & skincare range respectively during financial year 2023-2024. We also introduced 4 SKUs and 1 SKU in haircare & skincare range respectively in first quarter of financial year 2024-25.

We have outsourced our product development research to develop new formulations and propositions in line with consumer insights. We also work on identifying innovative ideas across new categories, new product formats, new ingredients, or new need spaces. We work on the end-to-end ideation and execution of new product launches starting from developing product briefs and concepts, to finalizing formulation and packaging of the product, to determining the pricing and positioning of the products. All decisions across this new product launch lifecycle are informed by inputs and feedback from consumers with deep insights into consumer preferences.

## Customer Acquisition Process



Our company is currently harnessing different marketing avenues in its customer acquisition strategy:

Our customer acquisition process is designed to attract, engage, and retain customers effectively through a comprehensive and data-driven approach. Below is a detailed overview of the customer acquisition flow:

#### Awareness Generation:

- **Social Media Presence:** Regular posts, stories, and influencer collaborations on social media platforms help build brand awareness and attract followers. We focus on creating visually appealing and informative content that highlights our products.
- **Content Marketing:** Through our idea content, we provide valuable information on haircare, skincare and bodycare, addressing common concerns and educating consumers about the benefits of products.

#### Intent

- **Engaging Website Experience:** Our website is designed to provide an immersive and informative experience. Visitors can easily navigate through product offerings, read detailed descriptions, and understand the benefits of our products. **Customer Testimonials and Reviews:** Positive reviews and testimonials from satisfied customers are prominently displayed on our website and social media channels, building trust and credibility.
- **Email, WhatsApp, and SMS Marketing:** We capture contact information through website sign-ups, offering incentives like discounts or consultations. Our campaigns across email, WhatsApp, and SMS provide personalized content, product recommendations, and special offers to nurture potential customers.

#### Conversion

- **Consultation:** Visitors are encouraged to undergo a consultation process on our website. This involves a detailed questionnaire about their skin or hair type, concerns, and preferences. The data collected is used to generate tailored product recommendations.

- **Seamless E-commerce Experience:** Our e-commerce platform is optimized for a smooth and secure shopping experience. Customers can easily add products to their cart, apply discount codes, and complete their purchase with multiple payment options.
- **Promotions and Discounts:** Limited-time offers, bundle deals, and referral programs are used to incentivize first-time purchases and increase conversion rates.
- **Landing Page Testing:** We conduct extensive A/B testing on landing pages to determine the most effective designs and messaging, optimizing for higher conversion rates and improved user experience.

**Post-Purchase Engagement**

- **Customer Support and Follow-Up:** After a purchase, our customer support team reaches out to ensure satisfaction with the products. We offer assistance with any issues and provide tips for using the products effectively.
- **Feedback and Reviews:** Customers are encouraged to leave reviews and provide feedback. This not only helps us improve our products but also builds social proof for potential new customers.
- **Reward Programs:** We reward repeat customers with, exclusive discounts, and early access to new products. This encourages repeat purchases and enhances customer retention.

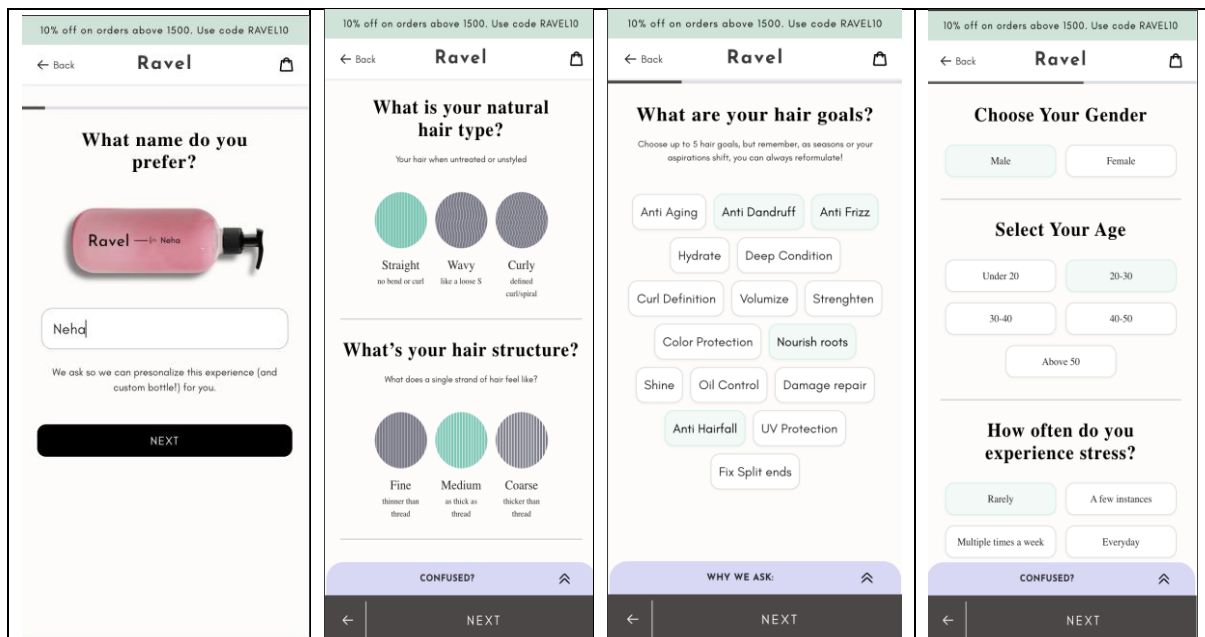
**Data-Driven Optimization**

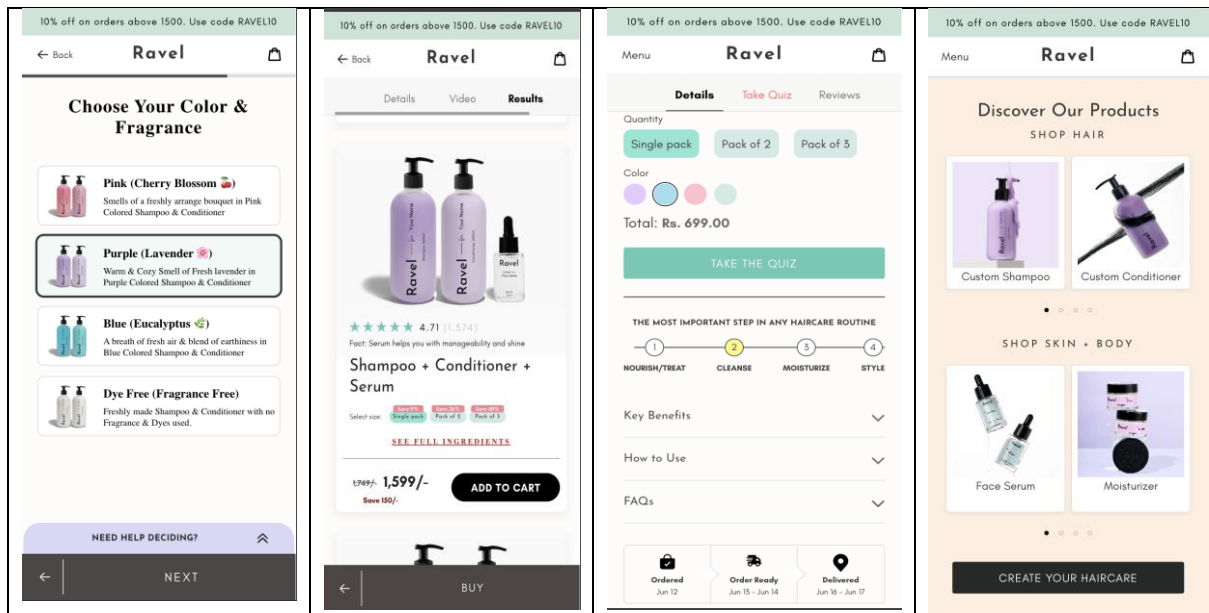
- **Analytics and Insights:** We continuously monitor and analyse customer data to understand behaviour, preferences, and trends. This data-driven approach helps us refine our marketing strategies and improve the customer acquisition process.
- **Retargeting Campaigns:** Using data from previous interactions, we run retargeting campaigns to re-engage visitors who did not complete a purchase.
- **A/B Testing and Experimentation:** We conduct A/B testing on various elements of our marketing campaigns, website design, landing pages, and product offerings to determine what works best. This iterative process ensures that we are always optimizing for better results.

By implementing a structured and multi-faceted customer acquisition process, we ensure that we attract a steady stream of new customers while maintaining high levels of engagement and satisfaction among our existing customer base. This comprehensive approach supports our growth objectives and solidifies our position in the personalized beauty market.

**Technology**

Overview of how our website functions and its key features for placing orders:





**User-friendly Interface:** The website boasts an intuitive and visually appealing interface, ensuring seamless navigation for users.

**Product Catalogue:** Customers can browse through an extensive catalogue of haircare, skincare and bodycare products, conveniently organized into categories and subcategories.

**Personalization Options:** Our website allows users to personalize their product selections based on their specific skin type, concerns, or hair needs. They can input relevant information or preferences to receive tailored recommendations.

**Detailed Product Information:** Each product listing includes comprehensive details such as ingredients, usage instructions, and customer reviews, empowering users to make informed purchasing decisions.

**Secure Payment Gateway:** Customers can securely complete transactions within the website using various payment methods, including credit/debit cards, digital wallets, and other payment gateways.

**Order Tracking:** After placing an order, users can track the status of their purchases in real-time through the website. They receive notifications at each stage of the order fulfilment process, from confirmation to delivery.

**Personalized Recommendations:** The website utilizes data analytics to provide personalized product recommendations based on past purchases, browsing history, and preferences.

**Promotions and Discounts:** Customers can stay updated on the latest promotions, discounts, and exclusive offers through dedicated sections on the website.

**Seamless Reordering:** For frequently purchased items, the app offers a quick reorder feature, streamlining the checkout process for returning customers.

Overall, the website serves as a comprehensive platform for users to explore, purchase, and engage with our range of beauty products, all while enjoying a seamless and personalized shopping experience.

### **Contract Manufacturing and Quality Assurance**

We have setup an asset-light contract manufacturing model that gives us the benefit of economies of scale. As on the date of this Draft Red Herring Prospectus we are working with contract manufacturer to produce our products. The contract manufacturer is responsible for production, procurement and all technical aspects, ensuring our products maintain their high quality and effectiveness. Our products are a perfect blend of modern scientific formulations and natural ingredients which can cater to a large and diverse base of customers. We require our contract manufacturer to adhere to stringent quality control standards.

To guarantee the consistent quality of our products, we mandate our contract manufacturer to implement comprehensive quality control systems. These include:

- **In-Process Quality Checks:** Regular inspections during different stages of production to ensure each product meets our high standards before proceeding to the next phase.
- **Finished Product Testing:** Rigorous testing of finished products for efficacy, safety, and compliance with regulatory standards before they are approved for sale.
- **Customer Feedback Integration:** Continuously integrating feedback from our customers to refine and enhance our quality assurance practices.

Additionally, our manufacturer is required to maintain Batch Manufacturing Records (BMR) and we conduct lab testing to ensure consistency and quality.

### ***Sustainability***

Our commitment to sustainability is reflected in our packaging choices:

**Recyclable Materials:** The packaging box is 100% recyclable, and we use 100% PET recyclable plastic bottles and glass bottles. This eco-friendly approach aligns with our dedication to reducing environmental impact.

**Sustainable Practices:** By opting for recyclable materials, we contribute to the reduction of waste and supports a more sustainable future. Customers can feel good about using products that are not only personalized but also environmentally responsible.

Our personalized packaging enhances the customer experience, differentiates the brand, increases gift appeal, and fosters customer engagement, all while maintaining a strong commitment to sustainability. This holistic approach ensures that every aspect of the product, from formulation to packaging, meets the highest standards of quality, personalization, and environmental responsibility.

### ***Human Resources***

We believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our kind of business.

As on June 30, 2024, our Company has employed 19 employees at various levels of the organization. Department wise bifurcation of the employees is provided below:

<b>Sr. No.</b>	<b>Department</b>	<b>No. of Employees</b>
1.	Accounts and Finance Team	1
2.	Legal & Secretarial	1
3.	Management	2
4.	Customer Support	3
5.	Product expert	1
6.	Operations & Supply chain	7
7.	Packaging	2
9.	Quality audit	1
10.	Retention Marketing	1
	<b>Total</b>	<b>19</b>

### ***Intellectual Property***

As on date of this Draft Red Herring Prospectus, we have submitted an application for trademark registration for the word “Ravel” within Class 3 which is objected.

As on the date of this Draft Red Herring Prospectus, we were not subject to any material claim or legal action alleging infringement of third party owned IP. See “*Risk Factors – 15. Our Company is in use of trademarks*”

which has been either opposed, objected or not registered under the Trademarks Act, 1999 as on date of Draft Red Herring Prospectus. Thus, we may be subject to claims alleging breach of third-party intellectual property rights.” on page 31. For further details, see “Government and Other Approvals” on page 195.

### **Insurance**

As of the date of this Draft Red Herring Prospectus, our company does not hold any insurance policies as they are not deemed applicable to us according to regulatory requirements.

### **Details of Immovable Property**

The details of the immovable properties taken on lease/rent basis are given below:

<b>Sr. No.</b>	<b>Details of the agreement</b>	<b>Description of the Property</b>	<b>Usage</b>	<b>Rent</b>
1.	Leave and License Agreement entered into with Sanjay Naginbhai Rathod and Sanket Bharat Kotadia on June 03, 2024 for a period of thirty-six months commencing from June 01, 2024	Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West - 400064, Maharashtra, India.  Area: 425 Square Feet	Registered office of the Company	Rs. 40,000 per month for first 12 months. Rs. 42,400 per month for next 12 months. Rs. 44,944 per month for next 12 months.
2.	Leave and License Agreement entered into with Mr. Ajit Moarch Gandhi and Ms. Avani Monarch Gandhi on June 03, 2024 for a period of thirty-six months commencing from June 01, 2024	Off-421, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West - 400064, Maharashtra, India.  Area: 425 Square Feet	Business purpose	Rs. 40,000 per month for first 12 months. Rs. 42,400 per month for next 12 months. Rs. 44,944 per month for next 12 months.
3.	Leave and License Agreement entered into with Harshada Business Solutions on January 04, 2024 for a period of eleven months commencing from January 04, 2024, which by mutual consent, can be further extended for a term of 11 months.	Shop no. 1, First Floor, 149/2, S K Complex, 05 <sup>th</sup> Main Malleshpalya Road, C V Raman Nagar, New Thippasandra Post, Bangalore – 560075, India  Area: Nil as it is a virtual space	Business purpose (Fulfilment Centre)	License fee of Rs. 7,900/- + GST for the first term.  License fee of Rs. 8,000/- + GST for the second term.
4.	Virtual Space Agreement entered into with Business Plus Network Private Limited on September 27, 2023 for a period of one year commencing from September 27, 2023	202, Second floor, EF3 Mall, Faridabad – 121001, Haryana, India Area: Seat no. D96	Business purpose (Fulfilment Centre)	Nil

In addition to above, our Company has 9 fulfilment centres for e-commerce business in the states of Haryana, Karnataka, and Maharashtra.



## **KEY INDUSTRY REGULATIONS**

*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 195 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 other rules and regulations, listed entities are mainly regulated by the SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, 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 31<sup>st</sup> October 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 on goods as services. 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 based taxation 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) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administered by Central Board of Indirect Taxes 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 wage 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**

#### **Drugs and Cosmetics Act, 1940 (“DCA”) and the Drugs and Cosmetics Rules, 1945 (“DCA Rules”)**

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated, spurious or harmful. The DCA Rules specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities.

#### **Cosmetics Rules, 2020 (the “Cosmetic Rules”)**

Under the Cosmetic Rules, no cosmetic shall be imported into India unless the product has been registered in accordance with these rules by the central licensing authority i.e., the Drugs Controller General of India, appointed by the Central Government. Further, any person who intends to manufacture cosmetics shall make an application for grant of a license or loan license to manufacture for sale or for distribution to the state licensing authority. Also, it needs to be ensured that if cosmetics are manufactured at more than one premises, a separate license is obtained for each such premises. Under the Cosmetic Rules, each batch of the raw materials used for manufacturing the cosmetics, and also each batch of the final product is required to be tested and the records or registers showing the particulars in respect of such tests is required to be maintained. The Cosmetic Rules further prescribes the labelling and packaging requirements to be followed for sale or distribution of cosmetics of Indian origin.

#### **The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (the “DMRA”)**

The DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document and any announcement made orally or by any means of producing or transmitting light, sound or smoke. It also specifies the ailments for which no advertisement is allowed. DMRA prohibits advertisements that give false impression regarding the true character of a drug, make false claims for a drug, or are otherwise false or misleading in any material particular. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

#### **The Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“Advertisement Guidelines”)**

The Advertisement Guidelines provide for the prevention of false or misleading advertisements and making endorsements relating thereto. The Advertisement Guidelines apply inter alia to a manufacturer and to all advertisements regardless of form, format or medium. The Advertisement Guidelines lay down the conditions for non-misleading and valid advertisement and prohibit surrogate or indirect advertisements of goods or services whose advertising is prohibited or restricted by law, by portraying it to be an advertisement for other goods or

services, the advertising of which is not prohibited or restricted by law. Further, the Advertisement Guidelines lay down duties of inter alia a manufacturer and provide inter alia that every manufacturer shall ensure that all descriptions, claims and comparisons in an advertisement which relate to matters of objectively ascertainable facts shall be capable of substantiation. The Advertisement Guidelines further provide that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organization making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

#### **Good Manufacturing Practice Guidelines (GMP)**

These guidelines are provided under Schedule T of Drug and Cosmetic Act, 1940. Good manufacturing practices (GMP) are the practices required in order to confirm the guidelines recommended by agencies that control authorization and licensing for manufacture and sale of food, drug products, and active pharmaceutical products. These guidelines provide minimum requirements that a pharmaceutical or a food product manufacturer must meet to assure that the products are of high quality and do not pose any risk to the consumer or public. Good manufacturing practices, along with good laboratory practices and good clinical practices, are overseen by regulatory agencies in various sectors in India.

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

The Legal Metrology Act, 2009, as amended (the “Metrology Act”), 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. The Metrology Act states that any transaction/contract relating to goods/class of goods or undertakings shall be as per the weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

#### **Standards of Weights and Measures Act, 1976**

The Standards of Weights and Measures Act, 1976 (the “Act”) was enacted to regulate trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and to provide for such matters as may be connected thereto. The Act enumerates the specific base units to measure goods and products. Any offence under this Act is punishable with imprisonment or fine or with both based on the type of violation.

#### **Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder:**

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

#### **Consumer Protection (E-Commerce) Rules, 2020 (the “E-commerce Rules”)**

The E-Commerce Rules regulate the marketing, sale and purchase of goods and services over a digital or electronic network. It restricts the use of any unfair trade practice by e-commerce entities and mandates the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules required all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with its provisions. Contravention of the E-Commerce Rules will attract penal action in accordance with the Consumer Protection Act, 2019.

#### **Draft National E-Commerce Policy 2019**

Draft National E-Commerce Policy Prepared by Government of India addresses six broad areas of the e-commerce ecosystem viz. data, infrastructure development, e-commerce marketplaces, regulatory issues, stimulating domestic digital economy and export promotion through ecommerce. The Policy takes into account interests of all stakeholders including investors, manufacturers, MSMEs, traders, retailers, startups and consumers. The National E-Commerce Policy has been formulated with a vision to provide a level-playing field to all stakeholders, including the individual consumers and MSMEs and start-ups.

### **The Legal Metrology (Packaged Commodities) Rules, 2011**

On and from the commencement of these rules, no person shall pre-pack or cause or permit to be pre-packed any commodity for sale, distribution or delivery unless the package in which the commodity is pre-packed bears thereon, or on a label is securely affixed thereto, such declarations as are required to be made under these rules. Further these rules requires that it shall be ensured that all packages leaving the premises of manufacturer for their destination shall have declaration of retail sale price on them as required in these rules. However these rules are not applicable to packages of commodities containing quantity of more than 25 kg or 25 litre excluding cement and fertilizer sold in bags up to 50 kg and packaged commodities meant for industrial consumers or institutional consumers.

### **Information Technology Act, 2000 and Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.**

Our Company is involved in the business of providing customized solutions based on the data collected from its prospective customers through its website. During the course of collection of such data, we interchange sensitive information, data, records, functions, security procedures and like and hence our working is governed by Information Technology Act, 2000. This act governs and provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as electronic commerce. It also gives legal recognition to Digital Signatures and facilitates storage of data. The Act is applicable to any offence or contravention committed outside India as well. If the conduct of person constituting the offence involves a computer or a computerized system or network located in India, then irrespective of his/her nationality, the person is punishable under the Act.

### **The Personal Data Protection Bill, 2022 (“Bill”)**

The Personal Data Protection Bill, 2022 was introduced in Lok Sabha on November 18, 2022. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

### **National Digital Communications Policy 2018**

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus, catalysing economic growth and development, generating new-age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India's long-term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest and identifies steps to strengthen the sector's institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

### **Data Centre Policy, 2020**

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smartphones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses / services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

## **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 suppression 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 has 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 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. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

## **LAWS RELATED TO ENVIRONMENTAL LAWS**

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

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.

### **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.

### **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.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **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 Patents Act, 1970:**

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

### **Code on Wages, 2019**

The Code on Wages, 2019 regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

### **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 Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

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

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The 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.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.

### **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 "ESI 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.

### **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.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Public Liability Insurance Act, 1991 (“PLI Act”)
- 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
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,

## **OTHER GENERAL 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 Aadhaar 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.

### **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from



the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

**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 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 and registered as a private limited company under Companies Act, 2013 in the name and style of “Ravelcare Private Limited” vide certificate of incorporation dated November 29, 2018 issued by the Registrar of Companies, Central Registration Centre. Pursuant to a resolution of our Board dated March 22, 2024 and a resolution of our shareholders dated March 27, 2024, our Company was converted into a public limited company under the Companies Act, and consequently the name of our company was changed to “Ravelcare Limited”, and a fresh certificate of incorporation dated June 14, 2024 issued by Registrar of Companies, Central Processing Centre.

### **Changes in our Registered Office:**

The following table sets forth details of the change in the registered office of our Company since the date of its incorporation:

<b>Date of Change</b>	<b>Details of change in address of registered office</b>	<b>Reason</b>
April 10, 2024	The Registered office of our Company was changed from C/o Mahesh R Warama, New Krushnapan Amravati – 444605, Maharashtra, India to B-721, Jaswanti Alid Business Centre, B-Wing, Rajkumar Apartments, Mumbai, Malad West - 400064, Maharashtra, India.	For operational convenience.
June 17, 2024	The Registered office of our Company was changed from B-721, Jaswanti Alid Business Centre, B-Wing, Rajkumar Apartments, Mumbai, Malad West - 400064, Maharashtra, India to Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad West - 400064, Maharashtra, India.	For operational convenience.

### **Main objects of Memorandum of Association:**

The main objects of our company as contained in our Clause III (A) of Memorandum of Association of our company are as follows:

1. To buy, import, export, distribute and otherwise deal in all kinds and varieties of cosmetics, health care products, artificial dyes and coloring agents, beauty and skin care products, perfumes.
2. To carry on the business of retail and dealers in cosmetics, perfumes, sprays, nail polish, fragrances, powders, hair oils, shampoo and conditioners.
3. To carry on the trade of Cosmetics products, personal care products, Health Care Products.

The main object clause contained in the Memorandum of Association of our Company enables our company to carry on the business presently being carried out.

### **Amendments to our Memorandum of Association**

Since incorporation, the following amendments have been made to our Memorandum of Association:

<b>Date of change/ shareholders' resolution</b>	<b>Nature of Amendment</b>
March 27, 2024	Clause I of the Memorandum of Association of Company was amended to reflect the change in our name from ‘Ravelcare Private Limited’ to ‘Ravelcare Limited’ pursuant to the conversion of our Company from a private limited company to a public limited company
June 14, 2024	Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 10 each to Rs.

Date of change/ shareholders' resolution	Nature of Amendment
	7,01,00,000/- (Rupees Seven Crore One Lakh Only) divided into 70,10,000 (Seventy Lakh Ten Thousand) Equity Shares of Rs. 10 each.

#### **Awards, accreditations and recognitions received by our Company.**

Calendar Year	Details
2022	Our company was featured on Shark Tank Season 2.

#### **Time/cost overrun**

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Red Herring Prospectus.

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

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks or conversion of loans into equity in relation to our Company.

#### **Significant financial or strategic partnerships**

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

#### **Details of launch of key products or services, entry in new geographies or exit from existing markets, capacity/facility creation or location of plants**

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, capacity/ facility creation, location of our manufacturing facilities, see "*Our Business*" on page 100.

#### **Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.**

Our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years preceding the date of this Draft Red Herring Prospectus.

#### **Corporate profile of our Company**

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, technology, and managerial competence, see "*Our Business*", "*Our Management*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Risk Factors*" on pages 100, 129, 182 and 25, respectively.

#### **Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

#### **Our Subsidiary, Associate or Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary, Associate or Joint Ventures.

#### **Summary of Key Agreements**

#### **Details of Shareholders Agreements and Other Material Agreements**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsisting shareholders'

agreements and other material agreements.

**Agreements with our Key Managerial Personnel or Senior Management, Director, Promoter or any other employee**

None of our Key Managerial Personnel or members of the Senior Management, Director, Promoter, or any other employee have entered into any agreement with the any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Details of guarantees given to third parties by the Promoter.**

Our Promoter have not given any guarantee to any third parties as on the date of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is authorised to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Red Herring Prospectus, we have 5 (five) Directors on our Board, comprising of 2 (two) Executive Directors and 1 (one) Non-Executive Directors and 2 (two) Independent Directors. Out of 5 (five) Directors, we have 1 (one) women Director on our Board. Our Company is in compliance with the laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<b>Ayush Mahesh Varma</b> <b>Designation:</b> Managing Director <b>Date of Birth:</b> March 25, 1996 <b>Address:</b> Dasra Maidan Road, New Krushnarpan Colony, Amravati - 444601, Maharashtra, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since November 29, 2018 <b>Current Term:</b> Three years commencing from June 20, 2024 until June 19, 2027, liable to retire by rotation. <b>Nationality:</b> Indian <b>DIN:</b> 08290637	28	<b>Indian Companies</b> Nothing Skin Science Private Limited  <b>Foreign Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil
<b>Maheshkumar Ramchandra Varma</b> <b>Designation:</b> Whole-time Director <b>Date of Birth:</b> January 16, 1969 <b>Address:</b> Dasra Maidan Road, New Krushnarpan Colony, Amravati - 444601, Maharashtra, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since November 04, 2022 <b>Current Term:</b> Three years commencing from June 20, 2024 until June 19, 2027, liable to retire by rotation <b>Nationality:</b> Indian <b>DIN:</b> 09756885	55	<b>Indian Companies</b> Nil  <b>Foreign Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil
<b>Anita Mahesh Varma</b> <b>Designation:</b> Non-Executive Non-Independent Director <b>Date of Birth:</b> June 21, 1973 <b>Address:</b> Dasra Maidan Road, New Krushnarpan Colony, Amravati - 444601, Maharashtra, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since March 22, 2024 <b>Current Term:</b> Liable to retire by rotation <b>Nationality:</b> Indian <b>DIN:</b> 10560934	51	<b>Indian Companies</b> Nil  <b>Foreign Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil
<b>Ajinkya Rajendra Jain</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> December 18, 1988 <b>Address:</b> Runwal Forests - Tower No. 4, Tower Name Oak, 8th Floor, Flat No. 804 Kanjurmarg (West) LBS Road, Mumbai – 400078, Maharashtra, India <b>Occupation:</b> Professional <b>Period of directorship:</b> Since June 17, 2024 <b>Current Term:</b> For five years until June 17, 2029 <b>Nationality:</b> Indian <b>DIN:</b> 07614758	35	<b>Indian Companies</b> Centum Learning Limited  <b>Foreign Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<b>Bhuvnesh Kumar</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> July 13, 1992 <b>Address:</b> Behind high school, Tekarawas, Bhinmal, Jalore – 343029 Rajasthan, India <b>Occupation:</b> Professional <b>Period of directorship:</b> Since June 17, 2024 <b>Current Term:</b> For five years until June 17, 2029 <b>Nationality:</b> Indian <b>DIN:</b> 10581722	31	<b>Indian Companies</b> Valencia India Limited  <b>Foreign Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil

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

**Ayush Varma** aged 28 years is the Managing Director and Promoter of our Company. He holds a degree in Bachelors of Technology (Computer Engineering Branch) from K.J. Somaiya College of Engineering. He has 6 years of experience in business development, operations, strategy and marketing. He is responsible for executing the marketing and product strategies and overseeing the business management functions.

**Maheshkumar Ramchandra Varma** aged 55 years is the Whole Time Director of our Company. He is a 12<sup>th</sup> grade pass from Brijlal Biyani Science College, Amravati. He has 35 years of experience in managing retail jewellery business. He is responsible for overseeing strategic decisions, accounting and finance function and contributing to the development of standard operating procedures (SOPs).

**Anita Mahesh Varma** aged 51 years is the Non-executive Non-Independent Director of our Company. She has 10 years of experience in managing retail jewellery business. She is a 10<sup>th</sup> grade pass from Kasturba Kanya Higher Secondary School. She was appointed as a Non-executive Non-Independent Director on the Board of our Company with effect from March 22, 2024 and has been re-appointed by the Shareholders at the Extra-Ordinary General Meeting held on June 20, 2024.

**Ajinkya Rajendra Jain** aged 35 years is the Non-executive Independent director of the Company. He is a qualified Company Secretary from the Institute of Company Secretary of India. He was appointed as an Independent Director on the Board of our Company with effect from June 17, 2024 and has been re-appointed by the Shareholders at the Extra-Ordinary General Meeting held on June 20, 2024.

**Bhuvnesh Kumar** aged 31 years is the Non-executive Independent director of the company. He is a qualified Company Secretary from the Institute of Company Secretary of India. He was appointed as an Independent Director on the Board of our Company with effect from June 17, 2024 and has been re-appointed by the Shareholders at the Extra-Ordinary General Meeting held on June 20, 2024.

#### **Confirmations**

None of our Directors were or are directors of listed company, during the preceding five years of this Draft Red Herring Prospectus whose shares have been or were suspended from being traded on any stock exchanges during his / her tenure as a director of such listed company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Further, none of our Directors have been identified as a Wilful Defaulters or Fraudulent Borrowers or Fugitive Economic Offender as defined under the SEBI ICDR Regulations.

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, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

## Relationship between our Directors

Except as mentioned below, none of the Directors are related to each other:

Name of Director	Relationship with	Relationship
Maheshkumar Ramchandra Varma	Ayush Mahesh Varma	Father - Son
Anita Mahesh Varma	Ayush Mahesh Varma	Mother - Son
Maheshkumar Ramchandra Varma	Anita Mahesh Varma	Spouse

## Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors has been appointed on the Board.

## Service contract with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

## Terms of employment of our Managing Director and Whole Time Director

### 1. Ayush Mahesh Varma

**Ayush Mahesh Varma** was appointed as the Managing Director of our Company pursuant to the resolution passed by our Shareholders on June 20, 2027, for a period of Three years with effect from June 20, 2027 on the following terms:

1. Remuneration: Up to Rs. 75,00,000/- (Rupees Seventy-Five Lakhs Only) per annum from June 20, 2024, including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.
2. The Managing Director shall be entitled to an annual increment at the rate up to 20% w.e.f. April 01, 2025 per financial year on cumulative basis.
3. Perquisites: He shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specifies herein above:
  - i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
  - ii. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
  - iii. Earned privilege leave at the rate of one month's leave for every eleven months of service. The Managing Director shall be entitled to en-cash leave at the end of his tenure as Managing Director.
  - iv. Rent free furnished accommodation.
  - v. Car with driver for the use of Company's business.
  - vi. Reimbursement of all medical expenses incurred for self and family at actuals.
  - vii. Leave travel expenses for self and family in accordance with the policy of the Company.
  - viii. Reimbursement of expenses on actuals pertaining to electricity, gas, water and telephone.
4. Minimum Remuneration: where in any financial year during the currency of his tenure as Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above Salary and perquisites excluding commission not exceeding the ceiling limits prescribed in Schedule V of the Companies Act, 2013 as Minimum Remuneration, if applicable.
5. Other Terms:
  - i. The Company shall reimburse to the Managing Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/ or incurred in performance of the duties of the Company.
  - ii. Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Managing Director. However, in any case the remuneration would not exceed the limits prescribed under the applicable provisions of the Act.
  - iii. Board is entitled to make changes within the overall amount fixed by the members.

- iv. Subject to the superintendence, control and direction of the Board of Directors, Mr. Ayush Varma shall manage and conduct the business and affairs of the Company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

## 2. Maheshkumar Ramchandra Varma

**Maheshkumar Ramchandra Varma** was appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Shareholders on June 20, 2024, for a period of Three years with effect from June 20, 2024 on the following terms:

1. Remuneration: Up to Rs. 7,00,000/- (Rupees Seven Lakhs Only) per annum from June 20, 2024, including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.
2. The Managing Director shall be entitled to an annual increment at the rate up to 20% w.e.f. April 01, 2025 per financial year on cumulative basis.
3. Perquisites: He shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specifies herein above:
  - i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
  - ii. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
  - iii. Earned privilege leave at the rate of one month's leave for every eleven months of service. The Whole Time Director shall be entitled to en-cash leave at the end of his tenure as Whole Time Director.
  - iv. Rent free furnished accommodation.
  - v. Car with driver for the use of Company's business.
  - vi. Reimbursement of all medical expenses incurred for self and family at actuals.
  - vii. Leave travel expenses for self and family in accordance with the policy of the Company.
  - viii. Reimbursement of expenses on actuals pertaining to electricity, gas, water and telephone.
4. Minimum Remuneration: where in any financial year during the currency of his tenure as Whole Time Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Whole Time Director, the above Salary and perquisites excluding commission not exceeding the ceiling limits prescribed in Schedule V of the Companies Act, 2013 as Minimum Remuneration, if applicable.
5. Other Terms:
  - i. The Company shall reimburse to the Whole Time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/ or incurred in performance of the duties of the Company.
  - ii. Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Whole Time Director. However, in any case the remuneration would not exceed the limits prescribed under the applicable provisions of the Act.
  - iii. Board is entitled to make changes within the overall amount fixed by the members.

### Terms of appointment of our Non-Executive Directors and Independent Directors

Our Board, pursuant to its resolution dated July 16, 2024, has decided that Ms. Anita Mahesh Varma our Non-Executive Non - Independent Director is entitled to receive sitting fees of ₹ 7,000 for attending each meeting of our Board and ₹ 5,000 for each meeting of the committees constituted of the Board. Mr. Ajinkya Rajendra Jain our Non- Executive Independent Director is entitled to receive sitting fees of ₹ 6,000 for attending each meeting of our Board and ₹ 5,000 for each meeting of the committees constituted of the Board. Mr. Bhuvnesh Kumar our Non- Executive Independent Director is entitled to receive sitting fees of ₹ 5,000 for attending each meeting of our Board and ₹ 4,000 for each meeting of the committees constituted of the Board.

### Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in the Financial Year 2023-2024 are as follows:

#### Executive Directors

Sr. No.	Name of the Executive Director	Amount (in Rs.)
1	Ayush Mahesh Varma	34,50,000
2	Maheshkumar Ramchandra Varma	Nil



### ***Non-Executive Directors and Independent Directors***

<b>S. No.</b>	<b>Name of the Non-Executive Non-Independent Director &amp; Non-Executive Independent Director</b>	<b>Designation</b>	<b>Amount (in Rs.)</b>
1	Anita Mahesh Varma*	Non-Executive Non-Independent Director	Nil
2	Ajinkya Rajendra Jain**	Non-Executive Independent Director	NA
3	Bhuvnesh Kumar**	Non-Executive Independent Director	NA

\*Non-Executive Non-Independent Director was appointed on March 22, 2024 and was not entitled to any remuneration except sitting fees.

\*\*Non-Executive Independent Directors were appointed after the financial year ended 2023-24, i.e. on June 17, 2024. Hence, they were not paid any remuneration in the financial year 2023-24.

### **Remuneration paid or payable to our Directors from our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

### **Bonus or profit-sharing plan of the Directors**

None of our Directors are entitled to any bonus or profit-sharing plan of our Company.

### **Contingent or Deferred Compensation to our Directors**

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration

### **Shareholding of Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares, as on the date of this Draft Red Herring Prospectus:

<b>Name of Director</b>	<b>No. of Equity Shares held</b>	<b>% of the Pre-Offer paid up share capital</b>
Ayush Mahesh Varma	44,00,000	87.91
Maheshkumar Ramchandra Varma	2,01,001	4.02
Anita Mahesh Varma	1,99,995	3.99

### **Interests of our Directors**

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company. Our Non-Executive Director or Independent Directors may be deemed to be interested to the extent of as sitting fees and commission, if any, payable to them for attending meetings of our Board or Committees thereof as approved by our Board and or shareholders and reimbursement of expenses payable to them, as approved by our Board. For further details, please see the section entitled “*Terms of Employment of our Managing Director and Whole Time Director*” and “*Payment or benefits to Directors of our Company*”.

Further, except as disclosed under ‘*Shareholding of Directors in our Company*’ above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company. For details, see

“Restated Financial Statements –Note 32: Related Party Disclosures” on page 167.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No loans have been availed by the Directors from our Company. Further, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company, except to the extent of related party transactions already disclosed under “Restated Financial Statements –Note 32: Related Party Disclosures” on page 167.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Draft Red Herring Prospectus, except for Ayush Mahesh Varma who is the Promoter of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see “Our Promoters and Promoter Group” on page 142.

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

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Date of Change	Reason
Maheshkumar Ramchandra Varma	June 17, 2024	Appointed as a Whole-time Director
Ayush Mahesh Varma	June 17, 2024	Appointed as a Managing Director
Ajinkya Rajendra Jain	June 17, 2024	Appointed as an additional Independent Director*
Bhuvnesh Kumar	June 17, 2024	Appointed as an additional Independent Director*
Anita Mahesh Varma	March 22, 2024	Appointed as an additional Non-Executive Director*
Maheshkumar Ramchandra Varma	November 04, 2022	Appointed as an additional Executive Director**

\*Regularized pursuant to a resolution passed in the EGM dated June 20, 2024.

\*\*Regularized pursuant to a resolution passed in the AGM dated September 30, 2023.

### Details of Borrowing Powers of Directors

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution passed at the Extra-Ordinary General Meeting dated June 20, 2024, our Board is authorised to borrow money by way of term loans, fund based, non-fund-based credit facilities, working capital facilities or any other kind of financial assistance, whether secured or unsecured, granted by banks and financial institutions or otherwise, subject to an overall limit of Rs. 100 crores.

### Corporate Governance

The provisions of the Companies Act, 2013, SEBI LODR Regulations and SEBI ICDR Regulations relating to corporate governance, will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on the Stock Exchanges. We are in compliance to the extent applicable with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies.

As on the date of filing of the Draft Red Herring Prospectus, our Board of Directors consist of 5(five) directors of which 2 (two) are Independent Directors, and we have 1 (one) women directors on the Board. The constitution of our Board is in compliance with the Companies Act, 2013 and SEBI LODR Regulations, to the extent applicable.

### Committees of our Board

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute other committees for various functions as may be required.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders Responsibility Committee

**(a) Audit Committee**

Our Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated July 16, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current constituted Audit Committee comprises following members:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Ajinkya Rajendra Jain	Chairman	Independent Director
Mr. Bhuvnesh Kumar	Member	Independent Director
Mr. Ayush Mahesh Varma	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

*Terms of Reference of Audit Committee:*

The Audit Committee shall have powers, including the following:

- 1) to investigate any activity within its terms of reference;
- 2) to seek information from any employee;
- 3) to obtain outside legal or other professional advice;
- 4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- 5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

The role of the Audit Committee shall include the following:

- 1) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- 2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the director’s responsibility statement to be included in the board’s report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document /Draft Red Herring Prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the listed entity with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) To review the functioning of the whistle blower mechanism;
- 19) Approving the appointment of the Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
- 20) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- 21) 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
- 22) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor
- f) Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

- Annual statement of funds utilized for purposes other than those stated in the issue document/draft red herring prospectus/notice in terms of Regulation 32(7).

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

**(b) Stakeholders Relationship Committee**

Our Company has constituted the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated July 16, 2024. The constituted Stakeholders Relationship Committee comprises the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Ajinkya Rajendra Jain	Chairman	Independent Director
Mr. Bhuvnesh Kumar	Member	Independent Director
Ms. Anita Mahesh Varma	Member	Non-Executive Director

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

***Terms of Reference of Stakeholders Relationship Committee:***

The role of the Stakeholders Relationship Committee shall include the following:

- 1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders
- 2) resolving the grievances of the security holders of the listed entity 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.;
- 3) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- 4) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- 5) review of measures taken for effective exercise of voting rights by shareholders;
- 6) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- 7) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- 8) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

**(c) Nomination and Remuneration Committee**

Our Company has constituted the Nomination and Remuneration Committee, vide Board Resolution dated July 16, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprise the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Ajinkya Rajendra Jain	Chairman	Independent Director
Mr. Bhuvnesh Kumar	Member	Independent Director
Ms. Anita Mahesh Varma	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

*Terms of reference of Stakeholders Relationship Committee:*

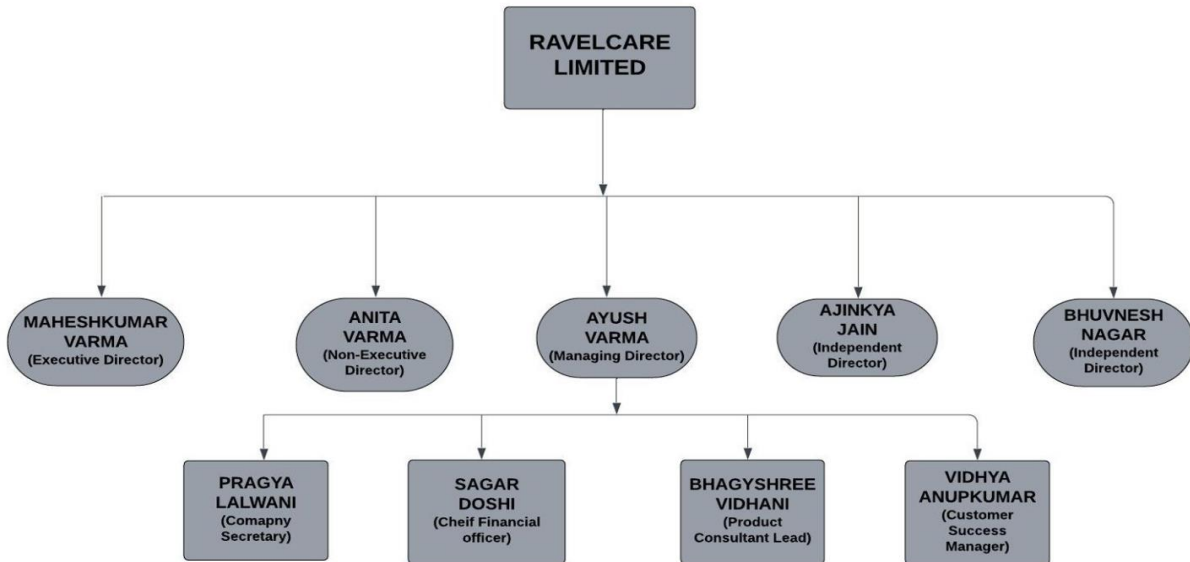
The role of the Stakeholders Relationship Committee shall include the following:

- 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) The Nomination and Remuneration Committee should, for every appointment of an independent director, 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. For the purpose of identifying suitable candidates as an independent director, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates
- 3) Formulation of criteria for evaluation of performance 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 and shall carry out evaluation of every director's performance (including Independent Director);
- 6) Analysing, monitoring and reviewing various human resource and compensation matters;
- 7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- 8) 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;
- 9) Recommend to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- 10) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
  - a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- 11) perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended,
- 12) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

- 13) carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



### Key Managerial Personnel and Senior Management

#### Key Managerial Personnel

In addition to Ayush Mahesh Varma, our Managing Director and Maheshkumar Ramchandra Varma, our Whole Time Director whose details have been provided under the paragraph ‘*Our Management - Brief profile of Directors of our Company*’, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

**Pragya Lalwani**, aged 31 years is the Company Secretary and Compliance Officer of our Company. She holds a certificate of membership from Institute of Company Secretaries of India. She has been associated with our Company since June 07, 2024 and responsible for the secretarial and compliance function. She has 3 years of experience in Company Secretarial work. Prior to joining our Company, she was associated with Dhariwal Traders Private Limited and Renew Solar Energy (Rajasthan) Private Limited. She was not entitled to remuneration for the financial year 2024.

**Sagar Doshi**, aged 27 years is the Chief Financial Officer of our Company. He is a qualified Chartered Financial Analyst from the Institute of Chartered Financial Analyst. He has about 6 years of experience in finance and accounting function. He has been associated with our Company since June 07, 2024 and responsible for developing and overseeing the company's financial strategy, including budgeting, forecasting, and long-term financial planning. He was not entitled to remuneration for the financial year 2024.

#### Senior Management Personnel

In addition to the Company Secretary and the Chief Financial Officer of our Company, whose details are provided in “*Our Management – Key Managerial Personnel*”, the details of our Senior Management, as on the date of this Draft Red Herring Prospectus are as follows:

**Vidhya Anup Kumar** aged 48 years is the customer success manager of our Company. She holds a master’s degree in business administration from CSM Institute of Management Studies. Prior to joining our Company, she was associated with Blupin Technologies Private Limited. She has been associated with our company since

December 5, 2023. She has over 15 years of experience in building, maintaining and enhancing customer relationships as well as technology implementations. She is responsible for ensuring customer satisfaction. In financial year 2024, she received a gross remuneration of ₹ 2.11 Lakhs.

**Bhagyshree Vidhani** aged 25 years is the product consultant lead of our Company. She holds a Masters in Technology Cosmetics (Appear) and Bachelors in Technology Cosmetics from Amravati university. She has been associated with our company since March 18, 2023. Prior to joining our Company, she was associated with Manash Lifestyle Private Limited. She has around two years of experience in the beauty and personal care industry. She is responsible for product innovation and market analysis. In financial year 2024, she received a gross remuneration of ₹ 3.61 Lakhs.

### **Confirmations**

Except as disclosed under the heading “Relationship between our Directors” herein above, none of the key managerial personnel and Senior Management are related to each other or to our Promoters or to any of our Directors.

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our other Key Managerial Personnel or Senior Management were selected as key managerial personnel or senior management personnel.

### **Interest of Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, and (ii) the Equity Shares held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel or Senior Management, even if the compensation is payable at a later date.

Other than as disclosed in this section and as disclosed in “*Other Financial Statements Note 32 Related Party Transactions*” on page 167, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management in all capacities in Fiscal 2024.

No loans have been availed by our Key Management Personnel or Senior Management from our Company as on the date of this Draft Red Herring Prospectus.

For further details of the interest of our Executive Directors in our Company, see “*Interests of our Directors*” on page 133.

### **Payment or Benefit to Key Managerial Personnel and Senior Management**

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as disclosed in “*Interests of our Directors*” on page 133 and stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no amount or benefits in kind has been paid or given, in the two years preceding of the date of this Draft Red Herring Prospectus, or is intended to be paid or given to any of our Company’s officers including the Key Managerial Personnel and Senior Management except remuneration and re-imbursments for services rendered as Directors, officers or employees of our Company.

### **Bonus or profit-sharing plans for our Key Managerial Personnel or Senior Management**

Other than as disclosed in “*Bonus or profit-sharing plan of the Directors*”, and the annual variable payments which our Key Managerial Personnel or Senior Management are entitle to, our Key Managerial Personnel or Senior Management are not parties to any bonus or profit-sharing plan of our Company.

### **Shareholding of our Key Managerial Personnel or Senior Management in our Company**

Other than as disclosed in “*Shareholding of Directors in our Company*”, none of our Key Managerial Personnel



or Senior Management hold any Equity Shares.

**Changes in Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years.**

Except as mentioned below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel in the last three years:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Ayush Mahesh Varma	Managing Director	June 17, 2024	Appointment
Maheshkumar Ramchandra Varma	Whole-time Director	June 17, 2024	Appointment
Sagar Doshi	Chief Financial Officer	June 07, 2024	Appointment
Pragya Lalwani	Company Secretary	June 07, 2024	Appointment
Vidhya Anup Kumar	Customer Success Manager	December 05, 2023	Appointment
Bhagyshree Vidhani	Product Consultant Lead	March 18, 2023	Appointment

**Employee stock option schemes**


As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme.

## OUR PROMOTER AND PROMOTER GROUP

### **Our Promoter**

The promoter of our Company is Ayush Mahesh Varma. As on date of this Draft Red Herring Prospectus, our Promoter holds 44,00,000 Equity Shares in our Company, representing 87.91% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of shareholding of the Promoter in our Company, see “*Capital Structure – Capital Build Up in respect of shareholding of our Promoter*” on page 65 of this DRHP.

### **Details of our Individual Promoter is as follows:**

	<p><b>Ayush Mahesh Varma</b> is our Promoter and Managing Director of our Company. For a complete profile of Ayush Mahesh Varma, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 129.</p> <p>His permanent account number is AVTPV6033E</p> <p>Other than as disclosed in “<i>Our Promoter Group</i>” and “<i>Our Management</i>” on pages 143 and 129, respectively, Ayush Mahesh Varma is not involved in any other venture.</p>
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Our Company confirms that the permanent account number, bank account number, passport number, aadhaar number and driving license number of our Promoter shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

### **Change in control of our Company**

There has not been any change in the control of our Company since inception.

### **Interest of Promoter in promotion of our Company**

Our Promoter is interested in our Company to the extent (i) he has promoted our Company (ii) of his respective shareholding directly or indirectly along with that of his relatives in our Company, (iii) his directorship in our Company (wherever applicable), (iv) interest payable on the loans provided to our Company and (v) the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter’s shareholding, see “*Capital Structure*” on page 60 of this DRHP. For further details of interest of our Promoter in our Company, see “*Capital Structure*”, “*Our Management – Interest of our Directors*” and “*Restated Financial Statements*” on pages 60, 133 and 146 of this DRHP.

### **Interest of Promoter in property of our Company**

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### **Business Interests**

No sum has been paid or agreed to be paid to our Promoter or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a Director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoter during the financial year immediately preceding the date of this Draft Red Herring Prospectus, please see “*Restated Financial Statements Note 32 Related Party Transactions*” on page 167.

### **Payment or benefits to our Promoter or our Promoter Group**

There has been no payment of benefits to our Promoter or the Promoter Group during the two years immediately preceding the date of filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or any member of the Promoter Group by the Company as on the date of this Draft Red Herring Prospectus except remuneration received / sitting fees / Professional fees received and as disclosed herein and as stated in “*Restated Financial Statements*” beginning on 146.

Our Company has not entered into any contract, agreement or arrangements during the two years immediately preceding the date of this Draft Red Herring Prospectus and does not propose to enter into any such contract in which our Promoter or the Promoter Group 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 other than as disclosed in “*History and Certain Corporate Matters - Shareholders’ Agreements and Other Material Agreements*”, “*Our Management*” and “*Restated Financial Statements Note 32 Related Party Transactions*” on pages 127, 129 and 167, respectively.

### **Companies or firms with which our Promoter has disassociated in the last three years**

Our Promoter has not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus.

### **Material Guarantees**

Our Promoter have not given any material guarantees to any third parties with respect to the Equity Shares of our Company, on behalf of the Company.

### **Confirmations**

Our Promoter and members of our Promoter Group have not been declared 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 Reserve Bank of India.

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter and members of our Promoter Group is not and has never been promoter, director, or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

### **Our Promoter Group**

In addition to our Promoter, individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

#### **A. Individuals forming part of our Promoter Group**

The individuals forming a part of our Promoter Group are as follows:

<b>Name of the Promoter</b>	<b>Relationship with the Promoter</b>	<b>Name of the Immediate Relative</b>
<b>Ayush Mahesh Varma</b>	Father	Maheshkumar Ramchandra Varma
	Mother	Anita Mahesh Varma
	Spouse	Kritika Aggarwal
	Brother	-
	Sister	Madhuri Mahesh Varma
	Daughter	-
	Son	-
	Spouse’s Father	Manoj Aggarwal
	Spouse’s Mother	Jyoti Agarwal
	Spouse’s Brother	Ritik Aggarwal
	Spouse’s Sister	-

***B. The entities forming a part of our Promoter Group***

<b>Sr. No.</b>	<b>Particulars</b>
1.	Nothing Skin Science Private Limited
2.	Inaara Jewellery (Sole Proprietorship)
3.	Madhuri Jewellers (Sole Proprietorship)
4.	Ramchandra Varma Jewellers (Sole Proprietorship)

## DIVIDEND POLICY

The declaration and payment of dividends on the Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and rules made thereunder, to the extent applicable to our Company, and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see “*Statement of Financial Indebtedness*” on page 181 of this DRHP. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time. For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page 25 of the Draft Red Herring Prospectus. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not declared any dividends on our Equity Shares in the last three Financial Year and for the period from March 31, 2024 until the date of this Draft Red Herring Prospectus.

## **SECTION VI- FINANCIAL INFORMATION OF THE COMPANY**

### **RESTATED FINANCIAL STATEMENTS INFORMATION**

Independent Auditor's Examination Report on Restated Financial Statements of Ravelcare Limited

**To,**  
**The Board of Directors**  
**Ravelcare Limited**  
Off-126, Neo Corporate Plaza, Cabin B,  
Ramchandra Lane Extension, Malad West,  
Mumbai - 400064, Maharashtra, India

Dear Sir,

1. We have examined the attached Restated Financial Information of Ravelcare Limited (the "Company") comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023, March 31, 2022 the Restated Statement of Profit and Loss and the Restated Cash Flow Statement for the period ended March 31, 2024, March 31, 2023, and March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on July 20, 2024 for the purpose of inclusion in the DRHP/RHP/Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on SME Platform of National Stock Exchange of India Limited ("NSE EMERGE").

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 DRHP/RHP/Prospectus to be filed with the NSE Emerge platform of the National Stock Exchange of India Limited, Registrar of Companies, Mumbai in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Financial Information. The responsibilities of the Board of Directors of the Company include 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 July 17, 2024 in connection with the proposed IPO of equity shares of Ravelcare Limited (the "Issuer Company") on NSE Emerge platform of National Stock Exchange of India Limited ("NSE EMERGE");
    - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
    - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

- d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
- a. Audited Financial Statements of the Company for the period from April 01, 2023 to March 31, 2024 prepared in accordance with Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on July 10, 2024.
- b. Restated Audited Financial Statements of the Company for the years ended on March 31, 2024, March 31, 2023, and March 31, 2022, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on July 20, 2024.
5. We have Audited the financial statements of the company for the period from April 01, 2023 to March 31, 2024 and prepared in accordance with the accounting standards as prescribed under Section 133 of the Act for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the “Peer Review Board” of the ICAI as required by ICDR Regulations in relation to the proposed IPO, Which have been approved by the Board of Directors. We have issued our report dated July 10, 2024 on this financial information to the Board of Directors who have approved these in their meeting held on July 10, 2024.
6. For the purpose of our examination, we have relied on:
- a. Auditor’s Report issued by us dated July 10, 2024 on the financial statement of the Company for the period from April 01, 2023 to March 31, 2024.
- b. Auditor’s Report issued by M/s Chirag Mehta & Associates, Chartered Accountants dated September 29, 2023 for the financial year ended March 31, 2023 and M/s Gupta Hemant & Co., Chartered Accountants dated September 01, 2022 for the financial year ended March 31, 2022 respectively as referred in Paragraph 4 above.

The Audit for the previous financial years were conducted by the Company’s previous auditors by M/s Chirag Mehta & Associates, Chartered Accountants dated September 29, 2023 for the financial year ended March 31, 2023 and M/s Gupta Hemant & Co., Chartered Accountants dated September 01, 2022 for the financial year ended March 31, 2022 (“the Previous Auditor). We have performed adequate procedures to restate the Financial Information for the said years. The Examination Report included for the said years is based solely on the report submitted by the Previous Auditor.

7. There were no qualifications in the Audit Reports issued by us and by previous auditor as at and for the period from April 01, 2023 to March 31, 2024, and as at and for the years ended March 31, 2023, March 31, 2022, and which would require adjustments in this Restated Financial Information of the Company.
8. We draw attention to the following matters:

<b>Annexure No</b>	<b>Particulars</b>
1	Statement of Assets & Liabilities as Restated
2	Statement of Profit & Loss as Restated
3	Statement of Cash Flow as Restated
4	Significant Accounting Policy and Notes to the Restated Summary statements
5	Adjustments made in Restated Financial Statements / Regrouping Notes
6	Statement of Other Financial Information
7	Statement of Capitalization Statement as restated

<b>Notes</b>	<b>Particulars</b>
3	Notes to Share Capital as restated
4	Notes to Reserves & Surpluses as restated
5	Notes to Long-Term Provisions as restated
6	Notes to Short-Term Borrowings as restated
7	Notes to Trade Payable as restated
8	Notes to Other Current Liabilities as restated
9	Notes to Short-Term Provisions as restated
10	Notes to Property, Plant and Equipment & Depreciations as restated
11	Notes to Non-Current Investments as Restated
12	Notes to Deferred Tax Asset (Net) as restated
13	Notes to Other Non-Current Assets as restated
14	Notes to Inventories
15	Notes to Trade Receivable as restated
16	Notes to Cash & Bank Balance as restated
17	Notes to Short term loans and advances as restated
18	Notes to Other Current Assets as restated
19	Notes to Revenue from operations as restated
20	Notes to Other Income as restated
21	Notes to Purchase of Stock in Trade as restated
22	Notes to Changes in Inventories of work in progress, finished goods, stock in trade as Restated
23	Notes to Employee Benefit Expense as Restated
24	Notes to Finance Cost as Restated
25	Notes to Depreciation & Amortization Expenses as restated
26	Notes to Other Expenses as restated
27	Notes to Extra-Ordinary Item as Restated
28	Notes to Tax Expense as Restated
29	Notes to Earning per share as Restated
30	Notes to Auditor's Remuneration as Restated
31	Notes to Disclosure of liability of Gratuity & Compensated Absences as Restated
32	Notes to Related Parties Transactions & Balances as restated

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 from April 01, 2023 to March 31, 2024, and as at and for the years ended March 31, 2023, March 31, 2022 proposed to be included in the DRHP/RHP/ Prospectus.

- i. Note 9.2 to restated financial information regarding the professional tax payable, professional tax has been deducted by the company from employees for period beginning from April 2023, the same remains unpaid during financial year, but subsequently paid in full on June 21, 2024 ensuring compliance with all relevant statutory requirements of Professional Tax.
  - ii. Note 9.3 to restated financial information the company has provided for ESIC liability from April 2023 onwards but the registration under ESIC Act was from May 24, 2024. Accordingly, the liability for period April 2023 to March 2024 is not discharged.  
Our opinion is not modified in respect of this matter.
9. Based on our examination and according to the information and explanations given to us, we report that:
- a. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - b. The Restated Summary Statements do not require any adjustments for the matter(s) giving rise to modifications mentioned in paragraph 7 above.
  - c. The Restated Standalone Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - d. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;



- e. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;  
From Financial Years 2021-22 to period up to March 31, 2024, the period covered in the restatement, the Company has not declared and paid any dividend.
10. 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 from April 2023 to March 2024, and as at and for the years ended March 31, 2023, March 31, 2022 proposed to be included in the DRHP/RHP/Prospectus.
11. We, M/s. Ratan Chandak & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
12. The Restated Financial Information do not reflect the effects of events that occurred subsequent to audited financial statements mentioned in paragraph 5 above.
13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP/RHP/Prospectus to be filed with the NSE Emerge platform of the National Stock Exchange of India Limited and Registrar of Companies, Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, Ratan Chandak & Co**  
**Chartered Accountants**  
**Firm Reg No: 108696W**  
**Peer Review Certificate No: 015016**

**Sd/-**  
**CA Jagadish Laxman Sate**  
**(Partner)**  
**Membership No: 182935**

**Place: Navi Mumbai**  
**Date: July 20, 2024**  
**UDIN: 24182935BKBJAJ1035**

**Annexure I - Restated Statement of Assets and Liabilities**

(Rs. In Lakhs)

Particulars	Annexure IV Note	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' funds</b>				
(a) Share Capital	3	0.50	0.50	0.50
(b) Reserves and Surplus	4	525.28	15.75	(40.51)
<b>Total</b>		<b>525.78</b>	<b>16.25</b>	<b>(40.01)</b>
<b>(2) Non-current liabilities</b>				
(a) Long-term Borrowings		-	-	-
(b) Deferred Tax Liabilities		-	-	-
(c) Other Long-term Liabilities		-	-	-
(d) Long-term Provision	5	5.12	-	-
<b>Total</b>		<b>5.12</b>	<b>-</b>	<b>-</b>
<b>(3) Current liabilities</b>				
(a) Short-term Borrowings	6	3.81	40.53	41.66
(b) Trade Payables	7			
- Due to Micro and Small Enterprises		96.82	-	-
- Due to Others		32.28	31.20	-
(c) Other Current Liabilities	8	109.88	86.93	-
(d) Short-term Provisions	9	174.22	0.30	-
<b>Total</b>		<b>417.02</b>	<b>158.96</b>	<b>41.66</b>
<b>Total Equity and Liabilities</b>		<b>947.93</b>	<b>175.20</b>	<b>1.65</b>
<b>II. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment and Intangible Assets				
(i) Property, Plant and Equipment	10.1	22.05	1.19	0.10
(ii) Intangible Assets		-	-	-
(iii) Capital Work-in-progress		-	-	-
(b) Non Current Investments	11	79.26	-	-
(c) Long-term loans & advances		-	-	-
(d) Deferred Tax Assets	12	1.60	(0.04)	(5.66)
(e) Other Non Current asset	13	608.34	-	-
<b>Total</b>		<b>711.24</b>	<b>1.15</b>	<b>(5.56)</b>
<b>(2) Current assets</b>				
(a) Inventories	14	43.37	63.54	-
(b) Trade Receivables	15	16.50	-	-
(c) Cash and Cash Equivalents	16	11.58	98.31	0.56
(d) Short-term Loans and Advances	17	162.01	9.98	-
(e) Other Current Assets	18	3.22	2.22	6.65
<b>Total</b>		<b>236.69</b>	<b>174.05</b>	<b>7.21</b>
<b>Total Assets</b>		<b>947.93</b>	<b>175.20</b>	<b>1.65</b>

For, Ratan Chandak & Co  
Chartered Accountants  
Firm Reg No: 108696W  
Peer Review Certificate No: 015016

Sd/-  
CA Jagadish Laxman Sate  
(Partner)  
Membership No: 182935

Place: Navi Mumbai  
Date: July 20, 2024  
UDIN: 24182935BKBJAJ1035

For and on behalf of Board of Directors of Ravelcare Limited

Sd/-  
Ayush Mahesh Varma  
Director  
(DIN: 8290637)

Sd/-  
Sagar Doshi  
CFO  
Date: July 20, 2024

Sd/-  
Maheshkumar Varma  
Director  
(DIN: 9756885)

Sd/-  
Pragya Lalwani  
CS (A45182)  
Place: Mumbai

**Annexure II - Restated Statement of Profit and Loss**

(Rs. In Lakhs)

Particulars	Annexure IV Note	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from Operations	19	2,208.78	349.36	78.86
Other Income	20	19.10	0.01	-
<b>Total Income</b>		<b>2,227.88</b>	<b>349.37</b>	<b>78.86</b>
<b>Expenses</b>				
Cost of Raw Materials Consumed		-	-	-
Purchases of Stock in Trade	21	628.96	139.96	16.88
Change in Inventories of work in progress, finished goods and Stock in Trade	22	20.16	(63.54)	-
Employee Benefit Expenses	23	84.55	25.42	7.71
Finance Costs	24	6.93	0.25	0.72
Depreciation and Amortization Expenses	25	2.33	0.07	0.04
Other Expenses	26	804.07	196.56	76.00
<b>Total expenses</b>		<b>1,547.00</b>	<b>298.73</b>	<b>101.35</b>
<b>Restated profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>680.88</b>	<b>50.64</b>	<b>(22.50)</b>
Exceptional Item		-	-	-
<b>Restated profit/(Loss) before Extraordinary Item and Tax</b>		<b>680.88</b>	<b>50.64</b>	<b>(22.50)</b>
Extraordinary Item	27	-	-	0.04
<b>Restated profit/(Loss) before Tax</b>		<b>680.88</b>	<b>50.64</b>	<b>(22.54)</b>
Tax Expenses	28			
- Current Tax		172.98	-	-
- Deferred Tax		(1.64)	(5.62)	5.68
- Short /(Excess) provision for Deferred tax of earlier year		-	-	(0.02)
<b>Total Tax Expense</b>		<b>171.34</b>	<b>(5.62)</b>	<b>5.66</b>
<b>Restated profit/(Loss) after Tax</b>		<b>509.54</b>	<b>56.26</b>	<b>(28.19)</b>
Restated Earnings Per Share (Face Value per Share Rs.10 each)				
-Basic	29	10.18	1.12	(0.56)
-Diluted	29	10.18	1.12	(0.56)

For, Ratan Chandak & Co  
Chartered Accountants  
Firm Reg No: 108696W  
Peer Review Certificate No: 015016

Sd/-  
CA Jagadish Laxman Sate  
(Partner)  
Membership No: 182935

Place: Navi Mumbai  
Date: July 20, 2024  
UDIN: 24182935BKBJAJ1035

For and on behalf of Board of Directors of Ravelcare Limited

Sd/-  
Ayush Mahesh Varma  
Director  
(DIN: 8290637)

Sd/-  
Sagar Doshi  
CFO  
Date: July 20, 2024

Sd/-  
Maheshkumar Varma  
Director  
(DIN: 9756885)

Sd/-  
Pragya Lalwani  
CS (A45182)  
Place: Mumbai

**Annexure III - Restated Statement of Cash Flows**

**(Rs. In Lakhs)**

Particulars	Annexure IV Note	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>				
Net Profit after tax		509.54	56.26	(28.19)
Depreciation and Amortisation Expense		2.33	0.07	0.04
Provision for tax		171.34	(5.62)	5.66
Dividend Income (Investment Income)		(19.09)	-	-
Interest Income		(0.02)	-	-
Finance Costs		6.93	0.25	0.72
<b>Operating Profit before working capital changes</b>		<b>671.04</b>	<b>50.96</b>	<b>(21.78)</b>
Adjustment for:				
Inventories		20.16	(63.54)	-
Trade Receivables		(16.50)	-	-
Loans and Advances & Other Assets		(16.98)	-	-
Other Current Assets		(136.05)	(12.20)	(12.39)
Trade Payables		97.91	31.20	-
Other current Liabilities		22.96	93.58	(6.86)
Short Term Provisions		173.92	0.30	-
Long Term Provisions		5.12	-	-
<b>Cash generated from Operations</b>		<b>821.58</b>	<b>100.29</b>	<b>(41.03)</b>
Tax paid (Net)		(172.98)	-	-
<b>Net Cash from Operating Activities</b>		<b>648.60</b>	<b>100.29</b>	<b>(41.03)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>				
Purchase of Property, Plant and Equipment		(23.18)	(1.16)	-
Sale of Property, Plant and Equipment		-	-	0.01
Purchase of Equity Instruments		(79.26)	-	-
Investment in Term Deposits		(608.34)	-	-
Dividend received		19.09	-	-
Interest received		0.02	-	-
<b>Net Cash (Used in) Investing Activities</b>		<b>(691.67)</b>	<b>(1.16)</b>	<b>0.01</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>				
Proceeds from Short Term Borrowings		-	-	41.66
Repayment of Short Term Borrowings		(36.72)	(1.13)	-
Interest and Other Borrowing cost		(6.93)	-	(0.72)
<b>Net Cash (Used in) / Generated from Financing Activities</b>		<b>(43.65)</b>	<b>(1.13)</b>	<b>40.94</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>(86.73)</b>	<b>98.00</b>	<b>(0.07)</b>
Opening Balance of Cash and Cash Equivalents		98.52	0.52	0.59
<b>Closing Balance of Cash and Cash Equivalents</b>	18	<b>11.79</b>	<b>98.52</b>	<b>0.52</b>

**For, Ratan Chandak & Co**  
Chartered Accountants  
Firm Reg No: 108696W  
Peer Review Certificate No: 015016

Sd/-  
CA Jagadish Laxman Sate  
(Partner)  
Membership No: 182935

Place: Navi Mumbai  
Date: July 20, 2024  
UDIN: 24182935BKBJAJ1035

**For and on behalf of Board of Directors of Ravelcare Limited**

Sd/-  
Ayush Mahesh Varma  
Director  
(DIN: 8290637)

Sd/-  
Sagar Doshi  
CFO  
Date: July 20, 2024

Sd/-  
Maheshkumar Varma  
Director  
(DIN: 9756885)

Sd/-  
Pragya Lalwani  
CS (A45182)  
Place: Mumbai

## ANNEXURE IV - NOTES TO THE RESTATED FINANCIAL INFORMATION

### 1. Corporate information

This restated financial information of Ravelcare Limited (Formerly as Ravelcare Private Limited) (hereinafter referred to as the "Company"), for the period ended March 31,2024, March 31, 2023, March 31, 2022.

Ravelcare Limited (Formerly as Ravelcare Private Limited) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 ("the Act"). The registered office of the Company is located at Off-126, Neo Corporate Plaza, Cabin B, Ramchandra Lane Extension, Malad, Mumbai -400064, Maharashtra, India. The principal place of business of the Company is in India.

The Company is engaged in the trading of variety of Personal Care Products such as Haircare, Skincare, Bodycare and other related products through own website and other E-Commerce platform such as amazon, flipkart which are manufactured through third party Manufacturers under the brand name of "Ravel".

This Restated Financial Information were authorised for issue in accordance with a resolution of the Board of Directors on July 20, 2024.

### 2. Significant accounting policies

#### 2.1. Basis of preparation

The restated financial information of the Company of the Restated Statement of Assets and Liabilities as at March 31,2024, March 31 2023, March 31, 2022, the Restated Statement of Profit and Loss, Restated Statement of Cash Flows for the period ended March 31,2024, March 31, 2023, March 31, 2022 and Notes to the Restated Financial Information and Statement of Adjustments to Audited Standalone Financial Statements (collectively, the 'Restated Financial Information').

These Restated Financial Information have been prepared by the Management of the Company for the purpose of inclusion in the Draft Prospectus ('DP') to be filed by the Company with the Emerging platform of National Stock Exchange of India Limited ("NSE-EMERGE") in connection with proposed Initial Public Offering ("IPO") of its equity shares.

The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- (a) Section 26 of the Companies Act, 2013 ("the Act") as amended from time to time;
- (b) Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); 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").

The Restated Financial Information have been prepared from the audited financial statements of the Company as at and for the period ended March 31,2024, March 31, 2023, March 31, 2022 which are prepared in accordance with Accounting Standards (AS) specified under the Section 133 of the Companies Act, 2013 read together with the rule 7 of the companies (Accounts) Rules 2014 and Companies (Accounting Standard) amendment Rules 2016, which have been approved by the Board of Directors of the Company at their meetings on which an unmodified audit opinion was issued.

The Restated Financial Information has been prepared on a historical cost basis.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information. This Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited financial statements mentioned above.

#### **The Restated Financial Information:**

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors, if any, and regrouping/reclassifications retrospectively in the financial period ended March 31,2024, March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended March 31,2024.

- b) do not require any adjustment for qualification as there are no qualifications in the underlying audit reports.

All the amounts included in the Restated Financial Information are presented in Indian Rupees ('Rupees' or 'Rs.' Or 'INR') and are rounded to the nearest Lakhs, except per share data and unless stated otherwise

### **Impact of COVID-19**

COVID-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals.

The Company has considered the possible effects that may result from COVID-19, on the carrying amount of the receivables, investments, goodwill etc. The Company based on current estimates expects the carrying amount of the above assets will be recovered.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Restated Financial Information. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions.

## **2.2. Summary of significant accounting policies**

### **(a) Current versus non-current classification**

The Company presents assets and liabilities in the restated statement of assets and liabilities based on current / non-current classification.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities, are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **(b) Foreign currencies**

#### **Functional and presentation currency**

Items included in the Restated Financial Information of the Company are measured using the currency of the primary economic environment in which it operates i.e. the "functional currency". The Company's restated financial information is presented in INR.

#### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company's at their respective functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in restated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in restated statement of profit and loss).

### **(c) Revenue recognition**

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Company provides incentives to its users in various forms. Incentives which are consideration payable to the customer that are not in exchange for a distinct good or service are generally recognized as a reduction of revenue.

Where the Company acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. Typically, the Company has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

#### **Sale of Goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are presented net of Excise duty collected on behalf of the Government, trade discounts and returns, as applicable.

#### **Sale of services**

Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the restated statement of assets and liabilities as unbilled revenue under other financial assets where the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognised as a contract liability.

#### **Other operating revenue**

Where the Company is contractually entitled to receive claims/compensation in case of non-discharge of obligations by customers, such claims/compensations are measured at amount receivable from such customers and are recognised as other operating revenue when there is a reasonable certainty that the Company will be able to realize the said amounts.

#### **Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the restated statement of profit and loss account.

### **(d) Taxes**

#### **Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the India where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Minimum alternate tax**

Credit of MAT is recognised as deferred tax asset only when it is probable that taxable profit will be available against which the credit can be utilised. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the restated statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

### **Taxes paid on acquisition of assets or on incurring expenses**

Assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset.

Expenses are recognised net of the amount of GST paid, except when the tax incurred on a purchase of services is not recoverable from the taxation authority, in which case, the tax paid is expensed off in restated statement of profit and loss.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets or other current liabilities in the restated statement of assets and liabilities.

### **(e) Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Property, plant and equipment is depreciated on a straight-line value basis to its residual value over its estimated useful life.

Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.



Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to restated statement of profit and loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under the non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work in progress'.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the restated statement of profit and loss on the date of disposal or retirement.

Depreciation is provided using the straight-line value method and charged to restated statement of profit and loss as per the useful life prescribed under Schedule II of the Companies Act, 2013, given below:

<b>Assets</b>	<b>Useful life (Years)</b>
Factory Building	30
Plant and Machinery	15
Electrical Installation	10
Office Equipment	5
Air Conditioners	5
Furniture and Fixtures	10
Computer	4
Vehicle	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **(f) Intangible assets**

Separately acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the restated statement of profit and loss in the year in which the expenditure is incurred. Intangible assets with finite useful lives are carried at cost and are amortised on a written down value basis over their estimated useful lives and charged to restated statement of profit and loss.

Software and licenses acquired are amortized at the 5 years on straight line value method.

The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the restated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the restated statement of profit and loss when the asset is derecognized.

#### **(g) Capital Work-in-progress**

Cost and direct expense incurred for construction of assets or assets to be acquired and which are not ready for use are disclosed under "Capital Work-in-progress"

## **(h) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in the restated statement of profit and loss in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## **(i) Impairment**

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

## **(j) Provisions and contingencies**

### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the restated statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### **Contingencies**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does have recognized a contingent commitment in the restated financial information.

## **(k) Retirement and other employee benefits**

For defined benefit plans, the liability or asset recognised in the restated statement of assets and liabilities on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the restated statement of profit and loss.

The Company's contributions to defined contribution plans (provident fund) are recognized in restated statement of profit and loss when the employee renders related service. The Company has no further obligations under these plans beyond its periodic contributions.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as salary and wages payable under other current liabilities in the restated statement of assets and liabilities.

## **(l) Earnings/ (loss) per share (EPS)**

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the

weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**(m) Segment reporting**

Based on our assessment and the criteria outlined in Accounting Standards and applicable regulations, the company operates in a single business segment. Therefore, no separate segment reporting is required in the financial statements for the year ended FY 23-24

**(n) Use of estimates**

The Company is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities at the date of the Restated Financial Information and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company bases its estimates on historical experience.

**(o) Exceptional Items**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Restated Financial Information.

**(p) Inventories**

- i) Raw materials, packing materials and stores & spares are valued at lower of cost and net realizable value. Cost of raw materials, packing materials are determined on First in First out (FIFO) basis and cost of stores & spares are determined on weighted average cost method.
- ii) Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on FIFO basis.
- iii) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(q) Government grants and subsidies**

- i) Grants and subsidies from the government are recognized when there is reasonable assurance that (a) the company will comply with the conditions attached to them, and (b) the grant/subsidy will be received.
- ii) Where the grant relates to an asset, it is shown as a reduction from the gross value of the asset concerned in arriving at its book value. The grant is thus recognised in the statement of profit and loss over the useful life of the asset by way of reduced depreciation charge.
- iii) Where the grant relates to reimbursement of interest on term loan, it is recognised as a reduction from the finance cost of the term loan concerned.

**For, Ratan Chandak & Co**  
**Chartered Accountants**  
**Firm Reg No: 108696W**  
**Peer Review Certificate No: 015016**

**Sd/-**  
**CA Jagadish Laxman Sate**  
**(Partner)**  
**Membership No: 182935**

**Place: Navi Mumbai**  
**Date: July 20, 2024**  
**UDIN: 24182935BKBJAJ1035**

**For and on behalf of Board of Directors of Ravelcare Limited**

**Sd/-**  
**Ayush Mahesh Varma**  
**Director**  
**(DIN: 8290637)**

**Sd/-**  
**Sagar Doshi**  
**CFO**  
**Date: July 20, 2024**

**Sd/-**  
**Maheshkumar Varma**  
**Director**  
**(DIN: 9756885)**

**Sd/-**  
**Pragya Lalwani**  
**CS (A45182)**  
**Place: Mumbai**

### 3. Share Capital

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Authorised Share Capital</b>			
10,000 Equity Shares, Rs. 10 each par value	1.00	1.00	1.00
<b>Issued, Subscribed and Fully paid-up Share Capital</b>			
5,000 Equity Shares, Rs.10 par value	0.50	0.50	0.50
<b>Total</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>

#### (i) Reconciliation of number of shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(Rs. In Lakhs)	No. of shares	(Rs. In Lakhs)
Opening Balance	5,000	0.50	5,000	0.50
Issued during the year	-	-	-	-
Deletion during the year	-	-	-	-
<b>Closing balance</b>	<b>5,000</b>	<b>0.50</b>	<b>5,000</b>	<b>0.50</b>

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	(Rs. In Lakhs)	No. of shares	(Rs. In Lakhs)
Opening Balance	5,000	0.50	5,000	0.50
Issued during the year	-	-	-	-
Deletion during the year	-	-	-	-
<b>Closing balance</b>	<b>5,000</b>	<b>0.50</b>	<b>5,000</b>	<b>0.50</b>

#### (ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend 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.

#### (iii) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	No. of shares	In %	No. of shares	In %	No. of shares	In %
Ayush Mahesh Varma	4,994	99.88%	4,999.00	99.98%	4,999.00	99.98%
<b>TOTAL</b>	<b>4,994</b>	<b>99.88%</b>	<b>4,999</b>	<b>99.98%</b>	<b>4,999</b>	<b>99.98%</b>

#### (iv) Shares held by Promoters at the end of the period 31 March 2024

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Ayush Mahesh Varma	Equity	4,994	99.88%	-0.10%

#### Shares held by Promoters at the end of the year 31 March 2023

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Ayush Mahesh Varma	Equity	4,999	99.98%	0.00%

#### Shares held by Promoters at the end of the year 31 March 2022

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Ayush Mahesh Varma	Equity	4,999	99.98%	0.00%

4. Reserves and Surplus

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Statement of Profit and loss</b>			
Balance at the beginning of the year	15.75	(40.51)	(12.32)
Add: Profit during the year	509.54	56.26	(28.19)
Less: Issue of Bonus Shares during the year	-	-	-
	<b>525.28</b>	<b>15.75</b>	<b>(40.51)</b>
<b>Security premium</b>			
Balance at the beginning of the year	-	-	-
Add: Addition during the year	-	-	-
Less: Issue of Bonus Shares	-	-	-
Closing Balance	-	-	-
<b>Balance at the end of the year</b>	<b>525.28</b>	<b>15.75</b>	<b>(40.51)</b>

5. Long Term Provisions

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits			
- Provision for Gratuity	5.12	-	-
- Provision for Compensated Absences (Note-35)	-	-	-
<b>Total</b>	<b>5.12</b>	<b>-</b>	<b>-</b>

**Note:**

**5.1.** Provision for Gratuity: In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method for FY 2023-24 as in previous years the same was not applicable as per the Accounting Standard-15.

6. Short Term Borrowings

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Unsecured Loan</b>			
Loan from Ayush Varma (Director's Loan)	3.81	40.53	41.66
<b>Total</b>	<b>3.81</b>	<b>40.53</b>	<b>41.66</b>

**Note:**

**6.1.** The Company has received an interest-free unsecured loan from its Director, utilized for business operational purposes.

7. Trade Payables

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Due to Micro and Small Enterprises	96.82	-	-
Due to Others	32.28	31.20	-
<b>Total</b>	<b>129.11</b>	<b>31.20</b>	<b>-</b>

7.1 Trade Payable ageing schedule as at 31 March 2024

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	96.82	-	-	-	96.82

Others	31.45	0.84	-	-	32.28
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>	<b>128.27</b>	<b>0.84</b>	<b>-</b>	<b>-</b>	<b>129.11</b>
MSME – Undue	-	-	-	-	-
Others – Undue	-	-	-	-	-
<b>Total</b>	<b>128.27</b>	<b>0.84</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 7.2 Trade Payable ageing schedule as at 31 March 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	31.20	-	-	-	31.20
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>	<b>31.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.20</b>
MSME - Undue	-	-	-	-	-
Others - Undue	-	-	-	-	-
<b>Total</b>	<b>31.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.20</b>

### 7.3 Trade Payable ageing schedule as at 31 March 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	-	-	-	-	-
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
MSME - Undue	-	-	-	-	-
Others - Undue	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 8. Other Current Liabilities

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Other Payables</b>			
Salaries and wages payable	4.10	-	-
<b>Advance Received from customer</b>	<b>35.86</b>	<b>73.91</b>	<b>-</b>
<b>Statutory Dues</b>			
-GST Payable	48.84	9.72	-
-GST RCM	0.00	0.00	-
-TDS payable	16.22	3.30	-
Credit Card Dues Payable	4.86	-	-
<b>Total</b>	<b>109.88</b>	<b>86.93</b>	<b>-</b>

## 9. Short Term Provisions

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Provision for Income tax</b>			
Payment for Audit Fees	-	0.30	-

<b>Provision for employee benefits</b>			
-ESIC Payable	0.60	-	-
-Provision for Gratuity	0.01	-	-
-Professional Tax Payable	0.38	-	-
<b>Provision for Income Tax</b>	172.98	-	-
<b>Provision for Equilization Levy</b>	0.25	-	-
<b>Total</b>	<b>174.22</b>	<b>0.30</b>	-

### 9.1 Provision for Gratuity

In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method for FY 23-24 and the same was not applicable in any previous years as per the Accounting Standard-15

### 9.2 Professional Tax Payable

The Company has deducted profession tax from payment to employees from the period beginning from Apr 2023. The same remains unpaid during financial year, but subsequently paid in full on June 21, 2024 ensuring compliance with all relevant statutory requirement of professional tax.

### 9.3 ESIC Payable

The company has provided for ESIC liability from April 2023 onwards but the registration under ESIC Act was from 24th May 2024. Accordingly, the liability for period April 2023 to March 2024 is not discharged.

## 10. Property, Plant and Equipment

(Rs. In Lakhs)

Particulars	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
<b>Gross carrying amount</b>					
As at April 2019	-	-	-	-	-
Addition	0.27	-	-	-	0.27
Deduction	-	-	-	-	-
As at March 2020	0.27	-	-	-	0.27
As at April 2020	0.27	-	-	-	0.27
Addition	-	-	-	-	-
Deduction	-	-	-	-	-
As at March 2021	0.27	-	-	-	0.27
As at April 2021	0.27	-	-	-	0.27
Addition	-	-	-	-	-
Deduction	0.01	-	-	-	0.01
As at March 2022	0.25	-	-	-	0.25
As at April 2022	0.25	-	-	-	0.25
Addition	0.25	-	-	0.91	1.16
Deduction	-	-	-	-	-
As at March 2023	0.50	-	-	0.91	1.42
As at April 2023	0.50	-	-	0.91	1.42
Addition	-	21.79	0.89	0.50	23.18
Deduction	-	-	-	-	-
As at March 2024	0.50	21.79	0.89	1.42	24.60

(Rs. In Lakhs)

Accumulated depreciation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
As at April 2019	-	-	-	-	-
Addition	0.06	-	-	-	0.06
Deduction	-	-	-	-	-
As at March 2020	0.06	-	-	-	0.06
As at April 2020	0.06	-	-	-	0.06
Addition	0.05	-	-	-	0.05

Deduction	-	-	-	-	-
As at March 2021	0.08	-	-	-	0.08
As at April 2021	0.08	-	-	-	0.08
Addition	0.04	-	-	-	0.04
Additional Depreciation	0.04	-	-	-	0.04
Deduction	-	-	-	-	-
As at March 2022	0.16	-	-	-	0.16
As at April 2022	0.16	-	-	-	0.16
Addition	0.06	-	-	0.01	0.07
Deduction	-	-	-	-	-
As at March 2023	0.22	-	-	0.01	0.23
As at April 2023	0.22	-	-	0.01	0.23
Addition	0.07	1.43	0.06	0.76	2.33
Deduction	-	-	-	-	-
As at March 2024	0.29	1.43	0.06	0.77	2.56

Net carrying amount	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
As at March 2020	0.20	-	-	-	0.20
As at March 2021	0.19	-	-	-	0.19
As at March 2022	0.10	-	-	-	0.10
As at March 2023	0.29	-	-	0.90	1.19
As at March 2024	0.21	20.36	0.83	0.64	22.05

**Note:**

At duly convened meeting of the Board of Directors of Company held on 16.02.2024 Resolution was passed regarding Motor Car purchased dated 12.02.2024, being Registered under the Director's name Ayush Varma is reflected in financial statements as Fixed Assets but it is being used exclusively for Company Operations, help support daily Business activities and is considered property of Ravel Care Private Limited. Any expenses related to the maintenance, insurance, and operation of the vehicle will be borne by Ravelcare Private Limited.

**11. Non-Current Investment**

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Listed of Equity Shares Security	79.26	-	-
<b>Total</b>	<b>79.26</b>	<b>-</b>	<b>-</b>

**11.1. Market Value of Securities**

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Market Value of quoted investments	92.89	-	-
<b>Total</b>	<b>92.89</b>	<b>-</b>	<b>-</b>

**12. Deferred Tax Assets (Net)**

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deferred Tax assets (Net)	1.60	(0.04)	(5.66)
<b>Total</b>	<b>1.60</b>	<b>(0.04)</b>	<b>(5.66)</b>

**12.1. Significant Components of Deferred Tax**

(In Rs.)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
-------------	---------------------	---------------------	---------------------



<b>Deferred Tax Asset</b>			
Expenses provided but allowable in Income tax on Payment basis	(1,53,681)	-	-
Provision for doubtful debts	-	-	-
Difference between book depreciation and tax depreciation	(6,794)	(14,701)	(2,131)
<b>Gross Deferred Tax Asset (A)</b>			
<b>Deferred Tax Liability</b>			
Difference between book depreciation and tax depreciation			
Others 1	-	-	-
Others 2	-	-	-
Others 3	-	-	-
Difference between book depreciation and tax depreciation	-	-	-
<b>Gross Deferred Tax Liability (B)</b>			
<b>Net Deferred Tax (Asset)/Liability (A)-(B)</b>	<b>(1,60,475)</b>	-	-

13. Other Non-Current Asset

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Investment in FD	608.34	-	-
<b>Total</b>	<b>608.34</b>	<b>-</b>	<b>-</b>

14. Inventories

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Finished Goods	43.37	63.54	-
<b>Total</b>	<b>43.37</b>	<b>63.54</b>	<b>-</b>

15. Trade Receivables

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Undisputed Trade receivables- considered good	16.50	-	-
<b>Total</b>	<b>16.50</b>	<b>-</b>	<b>-</b>

15.1. Trade Receivables ageing schedule as at 31 March 2024

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	16.50	7.87	-	-	-	24.37
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>	<b>16.50</b>	<b>7.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.37</b>
Undue - considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	-	-	-
<b>Total</b>	<b>16.50</b>	<b>7.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.37</b>

**15.2. Trade Receivables ageing schedule as at 31 March 2023**

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	-	-	-	-	-	-
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>	-	-	-	-	-	-
Undue - considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

**15.3. Trade Receivables ageing schedule as at 31 March 2022**

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	-	-	-	-	-	-
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>	-	-	-	-	-	-
Undue - considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

**16. Cash and Cash Equivalents**

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
- Cash on hand	0.69	7.62	-
- Balances with banks	10.89	90.69	0.56
<b>Total</b>	<b>11.58</b>	<b>98.31</b>	<b>0.56</b>

**17. Short Term Loans and Advances**

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Advances to suppliers	18.62	9.98	-

<b>Balances with Government Authorities</b>			
-Income Tax Paid	9.07	-	-
-Advance Income Tax/TDS, TCS Receivable	134.33	-	-
<b>Total</b>	<b>162.01</b>	<b>9.98</b>	<b>-</b>

18. Other Current Assets

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Others</b>			
Unclaimed GST Credit	1.22	1.22	6.65
Rent Deposit Paid	2.00	1.00	-
<b>Total</b>	<b>3.22</b>	<b>2.22</b>	<b>6.65</b>

19. Revenue from Operations

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Sale of Products	2,208.78	349.36	78.86
<b>Total</b>	<b>2,208.78</b>	<b>349.36</b>	<b>78.86</b>

20. Other Income

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Other Non-Operating Income	-	0.01	-
Dividend Income	0.02	-	-
Interest on FD	19.09	-	-
<b>Total</b>	<b>19.10</b>	<b>0.01</b>	<b>-</b>

21. Purchase of Stock in Trade

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchases of Material	628.96	139.96	16.88
<b>Total</b>	<b>628.96</b>	<b>139.96</b>	<b>16.88</b>

22. Change in Inventories of work in progress, finished goods and stock in trade

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Opening Inventories</b>			
- Stock in Trade	63.54	-	-
	63.54	-	-
<b>Less: Closing Inventories</b>			
- Stock in Trade	43.37	63.54	-
	43.37	63.54	-
<b>Total</b>	<b>20.16</b>	<b>(63.54)</b>	<b>-</b>

23. Employee Benefit Expenses

(Rs. In Lakhs)

Particulars	For the Year ended	For the year ended	For the year ended

	31 March 2024	31 March 2023	31 March 2022
Salaries and wages			
-Director Salary	43.50	15.00	-
-Others	31.65	9.19	7.71
Gratuity	5.13	-	-
Staff Welfare Expense	4.27	1.24	-
<b>Total</b>	<b>84.55</b>	<b>25.42</b>	<b>7.71</b>

24. Finance Cost

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense			
-Interest on GST	5.07	-	-
-Interest on TDS	0.62	-	-
Other borrowing costs			
-Bank Charges	1.24	0.25	0.72
<b>Total</b>	<b>6.93</b>	<b>0.25</b>	<b>0.72</b>

25. Depreciation and Amortization Expenses

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment			
-Others	2.33	0.07	0.039
<b>Total</b>	<b>2.33</b>	<b>0.07</b>	<b>0.04</b>

26. Other Expenses

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Power & Fuel	0.52	0.35	-
Selling & Distribution Expenses	137.03	7.61	4.27
Transportation Expenses	3.67	24.60	-
Marketing & Advertisement Expenses	572.53	133.18	49.63
Printing & Stationery	16.14	4.93	-
Telephone Expenses	0.01	0.09	0.06
Travelling Expenses	7.06	4.25	0.07
Office Expense	8.77	3.64	2.19
Professional Fees	6.99	1.73	4.67
Commission	1.58	0.42	-
Courier Expense	0.12	0.02	4.98
GST Expense	3.08	1.35	-
Rent	7.06	4.57	2.20
IT Tool & Internet Expenses	7.74	1.99	4.60
Bad Debts	-	-	1.92
Repairs & Maintenance	0.19	1.26	-
Payment Gateway Fee	11.73	4.39	-
Audit Fees	8.40	0.30	-
Security Transaction Tax on Investment	0.08	-	-
Other expenses	3.52	0.39	-
Website Platform Expense	7.86	1.50	1.41
<b>Total</b>	<b>804.07</b>	<b>196.56</b>	<b>76.00</b>

27. Extraordinary Item

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Diff in Opening WDV	-	-	0.04
<b>Total</b>	-	-	<b>0.04</b>

28. Tax Expenses

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax			
- Current tax expenses	172.98	-	-
- Excess/Short Provision Written back/off	-	-	-
	172.98	-	-
Deferred tax			
- Deferred tax (income)/Expenses	(1.64)	(5.62)	5.68
- Excess/Short Provision Written back/off	-	-	(0.02)
	(1.64)	(5.62)	5.66
<b>Total</b>	<b>171.34</b>	<b>(5.62)</b>	<b>5.66</b>

28.1. Significant Components of Deferred Tax charged during the year

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Difference between book depreciation and tax depreciation	0.07	0.04	0.01
Expenses provided but allowable in Income tax on Payment basis	2.48	-	-
<b>Total</b>	<b>2.55</b>	<b>0.04</b>	<b>0.01</b>

29. Earnings Per Share

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Restated profit attributable to equity shareholders (Rs)	5,09,53,829	56,25,568	(28,19,120)
Weighted average number of equity shares	50,05,000	50,05,000	50,05,000
Restated Earnings per share basic (Rs)	10.18	1.12	(0.56)
Restated Earnings per share diluted (Rs)	10.18	1.12	(0.56)
Face value per equity share (Rs)	10	10	10

Note: On July 16, 2024 company announced a bonus issue and allotted fully paid up bonus shares as follows to the existing equity shareholders of the company as on July 08, 2024 record date, in proportion to 1000 equity shares for every 1 equity share held by them as on record date.

30. Auditors' Remuneration

(Rs. In Lakhs)

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Payments to auditor as</b>			
- for Statutory Auditor	4.20	0.30	-
- for Internal Auditor	3.60	-	-
- for Tax Auditor	0.60	-	-

<b>Total</b>	<b>8.40</b>	<b>0.30</b>	<b>-</b>
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**31. Disclosure of Liability of Gratuity**

**A. Defined benefit plan – gratuity:**

In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method for FY 23-24 and same was not applicable for previous years as per Accounting Standard-15.

**(i) Membership Data**

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Number of employees	17	-	-	-	-	-
Total monthly Salary	6,87,000	-	-	-	-	-
Average past service (in years)	1.03	-	-	-	-	-
Average Monthly salary	40,412	-	-	-	-	-
Average age (in Years)	30.12	-	-	-	-	-
Weighted Average duration (Years)	12.72	-	-	-	-	-
Average Future Service (years)	29.88	-	-	-	-	-

**(ii) Actuarial Assumptions:**

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Discount rate (per annum)	7.20%	-	-	-	-	-
Salary growth rate (per annum)	7.00%	-	-	-	-	-
<b>Withdrawal rate (per annum) age band</b>		-	-	-	-	-
25 & Below	10.00%	-	-	-	-	-
25 to 35	8.00%	-	-	-	-	-
35 to 45	6.00%	-	-	-	-	-
45 to 55	4.00%	-	-	-	-	-
55 & above	2.00%	-	-	-	-	-
<b>Mortality Rates (per annum) age in year</b>		-	-	-	-	-
20	0.09%	-	-	-	-	-
30	0.10%	-	-	-	-	-
40	0.17%	-	-	-	-	-
50	0.44%	-	-	-	-	-
60	1.12%	-	-	-	-	-

**Note:**

The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

**(iii) Statement showing changes in present value of obligations during the year:**

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gratuity (unfunded)	Leave encashment	Gratuity (unfunded)	Leave encashment	Gratuity (unfunded)	Leave encashment

		(unfunded)	unded)	(unfunded)	ded)	(unfunded)
Present value of obligation as at the beginning of year	-	-	-	-	-	-
Interest cost	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Current service cost	-	-	-	-	-	-
Benefit paid	-	-	-	-	-	-
Actuarial (gain)/loss on obligations	-	-	-	-	-	-
Present value of obligation at the end of the year	5,12,911	-	-	-	-	-

(iv) Actuarial gain/loss recognized for the year:

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Actuarial (gain)/loss for the period –recognized	-	-	-	-	-	-
Actuarial (gain)/loss for the period –unrecognized	-	-	-	-	-	-

(v) Amount to be recognized in balance sheet:

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation	5,12,911	-	-	-	-	-
Funded status	-	-	-	-	-	-
Net Liability recognized in balance sheet	5,12,911	-	-	-	-	-
Long term provision	5,11,977	-	-	-	-	-
Short term provision	934	-	-	-	-	-

(vi) Expenses recognized in the statement of profit and loss:

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Current service cost	5,12,911	-	-	-	-	-
Total employer expense	-	-	-	-	-	-
Present value of obligation at the end of the year	5,12,911	-	-	-	-	-
Fair value of planned asset as at the end of the year	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-

Interest cost	-	-	-	-	-	-
Expected return on planned assets	-	-	-	-	-	-
Curtailement/settlement cost	-	-	-	-	-	-
Net Actuarial (gain)/loss recognized	-	-	-	-	-	-
Expenses recognized in the statement of profit and loss	5,12,911	-	-	-	-	-

### 32. Related Party Disclosure

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the parties as defined in the accounting standard.

#### (i) List of Related Parties

Particulars	Relationship
Anita Mahesh Varma	Relative of Director
Ayush Mahesh Varma	Director
MaheshKumar Ramchandra Varma	Director

#### (ii) Related Party Transaction

(Rs. In Lakhs)

Particulars	Nature of Transaction	As at 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Ayush Mahesh Varma	Loan from Director Repaid	36.72	1.13	-
Ayush Mahesh Varma	Imprest	6.49	-	-
Anita Mahesh Varma	Salary to Employee	9.00	-	-
Ayush Mahesh Varma	Director Remuneration	34.50	15.00	-
Ayush Mahesh Varma	Credit Card-Liabilities	223.11	-	-
Maheshkumar Ramchandra Varma	Credit Card-Liabilities	229.84	-	-

#### (iii) Related Party Balances

(Rs. In Lakhs)

Particulars	Nature of balance	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Anita Mahesh Varma	Advance to Employee	0.42	-	-
Ayush Mahesh Varma	Other Current Liability - Imprest	0.29	-	-
Ayush Mahesh Varma	Loan from Director	3.81	40.53	-
Ayush Mahesh Varma	Credit Card-Liabilities	3.76	-	-
Maheshkumar Ramchandra Varma	Credit Card-Liabilities	1.11	-	-

### 33. MSME

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
a) The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period	-	-	-
- Principle amount	96.82	-	-



- Interest due thereon	-	-	-
<b>b)</b> The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting period;	-	-	-
<b>c)</b> The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
<b>d)</b> The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-	-
<b>e)</b> The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

**34. Benami property**

The company does not have any Benami property, where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**35. Wilful Defaulter**

The company is not declared as wilful defaulter by any bank or financial Institution or other lender.

**36. Transactions with struck off companies**

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

**37. Registration of charges or satisfaction with Registrar of Companies**

The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**38. Scheme of Arrangements**

There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**39. Utilization of Borrowed funds and share premium:**

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**40. Undisclosed Income**

The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the years in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

**41. Compliance with number of layers of companies**

The Company does not have any subsidiaries therefore disclosure of compliance with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

**42. Disclosure pertaining to ‘details of crypto currency or virtual currency’**

The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

**43. Revaluation of PPE and Intangible assets**

The company has not revalued its Property, Plant and Equipment and Intangible assets during the reporting periods. The disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

**44. Disclosure pertaining to ‘corporate social responsibility activities’**

The company is not covered under section 135 of the Companies Act, 2013. The disclose with regard to CSR activities is not applicable

**45. Ratio analysis and its elements**

**45.1. Ratio**

(Rs. In Lakhs)

Particulars	31 March 2024	31 March 2023	31 March 2022	% change from March 31, 2023 to March 31, 2024	% change from March 31, 2022 to March 31, 2023	% change from March 31, 2021 to March 31, 2022
Current Ratio	0.57	1.09	0.17	(48.17)%	532.55%	269.44 %
Debt-Equity Ratio	0.01	2.49	(1.04)	(99.71)%	(339.58)%	NA
Debt Service Coverage Ratio	NA	NA	NA	NA	NA	NA
Return on Equity Ratio	187.41 %	(426.18) %	86.88%	(143.97) %	(590.51)%	(24.04) %
Inventory Turnover Ratio	41.32	11.00	NA	275.74%	NA	NA
Trade Receivables Turnover Ratio	267.71	NA	NA	NA	NA	NA
Trade Payables Turnover Ratio	7.85	8.97	NA	(12.55)%	NA	NA
Net Capital Turnover Ratio	(12.25)	23.15	(2.29)	(152.92) %	(1,111.19) %	299.55 %
Net Profit Ratio	23.07%	16.10%	(35.75)%	43.26%	(145.04)%	(59.54) %
Return on Capital Employed	128.57 %	89.19%	(1362.49) %	44.16%	(106.55)%	NA
Return on Investment	NA	NA	NA	NA	NA	NA

**45.2. Elements of Ratio**

(Rs. In Lakhs)

Particulars	Numerator/Denominator	31 March 2024	31 March 2023	31 March 2022
(a) Current Ratio	Current Assets	236.69	174.05	7.21
	Current Liabilities	417.02	158.96	41.66
(b) Debt-Equity Ratio	Total Debts	3.81	40.53	41.66
	Equity	525.78	16.25	(40.01)
(c) Debt Service Coverage Ratio*	Earnings available for Debt Service	NA	NA	NA
	Interest + Instalments	NA	NA	NA
(d) Return on Equity Ratio	Profit after Tax	507.90	50.64	(22.52)

	Average Shareholder's Equity	271.02	(11.88)	(25.91)
(e) Inventory Turnover Ratio	Total Turnover	2,208.78	349.36	78.86
	Average Inventories	53.46	31.77	-
(f) Trade Receivables Turnover Ratio	Total Turnover	2,208.78	349.36	78.86
	Average Account Receivable	8.25	-	-
(g) Trade Payables Turnover Ratio	Total Purchases	628.96	139.96	16.88
	Average Account Payable	80.15	15.60	-
(h) Net Capital Turnover Ratio	Total Turnover	2,208.78	349.36	78.86
	Net Working Capital	(180.34)	15.09	(34.45)
(i) Net Profit Ratio	Net Profit after tax	509.54	56.26	(28.19)
	Total Turnover	2,208.78	349.36	78.86
(j) Return on Capital Employed*	Earnings before interest and taxes	680.88	50.64	(22.54)
	Capital Employed	529.60	56.78	1.65
(k) Return on Investment	Return on Investment	NA	NA	NA
	Total Investment	NA	NA	NA

Note: There are no borrowings from banks and financial institution for calculating debt service coverage ratio.

46. The Restated Financial Information were authorized for issue in accordance with resolution of the Board of Directors on July 20, 2024.

47. **Undisputed Statutory Dues Payable**

Month	Due Date of Payment	Amount of Due for Payment
Apr-23	15-05-2023	1,600
May-23	15-06-2023	2,200
Jun-23	15-07-2023	2,400
Jul-23	15-08-2023	2,600
Aug-23	15-09-2023	2,175
Sep-23	15-10-2023	2,200
Oct-23	15-11-2023	2,200
Nov-23	15-12-2023	2,000
Dec-23	15-01-2024	2,400
Jan-24	15-02-2024	2,200
Feb-24	15-03-2024	3,475
Mar-24	15-04-2024	2,400

Note: The Company has deducted profession tax from payment to employees from the period beginning from April 2023. The same remains unpaid as on date of financial statement but later paid on June 21, 2024.

Summarised below are the restatement adjustments made to equity for the period ended March 31, 2024 March 31, 2023, March 31, 2022 and their consequential impact on the equity of the Company:

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total Equity as per Audited Financial Statements	525.78	16.31	(34.32)
<u>Restatement adjustments</u>			
Compliance of Accounting Standard - 15	-		
(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	-	5.62	(0.03)
(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial		5.62	(5.66)
<b>Total impact of adjustments</b>			
<b>Total Equity as per Restated Financial Information</b>	<b>525.78</b>	<b>27.56</b>	<b>(40.01)</b>

Summarised below are the restatement adjustments made to the net profit after tax for the period ended March

31,2024 March 31, 2023, March 31, 2022 their impact on the profit / (loss) of the Company:

(Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Profit after tax as per Audited Financial Statements	509.47	50.63	(22.50)
Restatement adjustments			
Compliance of Accounting Standard- 15			
(Increase)/decrease in expenses			
Add: Depreciation as per FS	2.36	0.08	0.05
Less: Depreciation calculated	2.33	0.07	0.08
Less: Deferred Tax	(0.04)	(5.62)	5.66
Employee benefit expenses	-	-	
<b>Restated profit before tax</b>	<b>514.12</b>	<b>45.17</b>	<b>(16.72)</b>
Tax adjustments	-	-	
Profit after tax as per Restated financial information	<b>509.54</b>	<b>56.26</b>	<b>(28.19)</b>

**Notes to adjustment:**

**Note 1:**

**Material regrouping/ reclassification:** Appropriate regrouping/ reclassification have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the period ended March 31, 2024, audited financial statements prepared in accordance with Schedule III of the act, applicable AS principles and the requirements of the SEBI (ICDR) Regulations 2018, as amended.

**For, Ratan Chandak & Co**  
Chartered Accountants  
Firm Reg No: 108696W  
Peer Review Certificate No: 015016

Sd/-  
CA Jagadish Laxman Sate  
(Partner)  
Membership No: 182935

Place: Navi Mumbai  
Date: July 20, 2024  
UDIN: 24182935BKBJAJ1035

**For and on behalf of Board of Directors of Ravelcare Limited**

Sd/-  
Ayush Mahesh Varma  
Director  
(DIN: 8290637)

Sd/-  
Sagar Doshi  
CFO  
Date: July 20, 2024

Sd/-  
Maheshkumar Varma  
Director  
(DIN: 9756885)

Sd/-  
Pragya Lalwani  
CS (A45182)  
Place: Mumbai

The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Restated profit attributable to equity shareholders (₹) (A) (Rs. In Lakhs)	509.54	56.26	(28.19)
Weighted average number of equity shares in calculating basic EPS (B)	50,05,000	5,000	5,000
Weighted average number of equity shares in calculating diluted EPS (C)	50,05,000	5,000	5,000
<b>Basic earnings per share (₹ per share) (D=A/B)</b>	<b>10.18</b>	<b>1.12</b>	<b>(0.56)</b>
<b>Diluted earnings per share (₹ per share) (E=A/C)</b>	<b>10.18</b>	<b>1.12</b>	<b>(0.56)</b>
Weighted average number of equity shares in calculating basic EPS - post sub-division of shares (F)	50,05,000	5,000	5,000
Weighted average number of equity shares in calculating diluted EPS - post sub-division of shares (G)	50,05,000	5,000	5,000
<b>Basic earnings per share - post sub-division of shares (₹ per share) (H=A/F)</b>	<b>10.18</b>	<b>1.12</b>	<b>(0.56)</b>
<b>Diluted earnings per share - post sub-division of shares (₹ per share) (I=A/G)</b>	<b>10.18</b>	<b>1.12</b>	<b>(0.56)</b>
Weighted average number of equity shares in calculating basic EPS - post bonus shares (J)	50,05,000	5,000	5,000
Weighted average number of equity shares in calculating diluted EPS - post bonus shares (K)	50,05,000	5,000	5,000
<b>Basic earnings per share - post bonus shares (₹ per share) (L=A/J)</b>	<b>10.18</b>	<b>1.12</b>	<b>(0.56)</b>
<b>Diluted earnings per share - post bonus shares (₹ per share) (M=A/K)</b>	<b>10.18</b>	<b>1.12</b>	<b>(0.56)</b>
Net worth (A) (Rs. In Lakhs)	525.78	16.25	(40.01)
Restated profit attributable to shareholders (B)	509.54	56.26	(28.19)
<b>Restated Return on net worth (%) (C=B/A)</b>	<b>96.91 %</b>	<b>346.27 %</b>	<b>70.46 %</b>
Net Assets (₹) (A) (in Rs.)	525.78	16.25	(40.01)
Number of equity shares outstanding at the end of the year (B)	50,05,000	5,000	5,000
<b>Restated Net asset value per share (C=A/B)</b>	<b>10.51</b>	<b>0.32</b>	<b>(0.80)</b>
Number of equity shares outstanding at the end of the year - post sub division of shares (D)	50,05,000	5,000	5,000
<b>Restated Net asset value per share - post sub-division of shares (E=A/D)</b>	<b>10.51</b>	<b>0.32</b>	<b>(0.80)</b>
Number of equity shares outstanding at the end of the year - post bonus shares (F)	50,05,000	5,000	5,000
<b>Restated Net asset value per share - post bonus shares (G=A/F)</b>	<b>10.51</b>	<b>0.32</b>	<b>(0.80)</b>
Restated profit for the year (A)	509.54	56.26	(28.19)
Restated profit for the year from discontinued operation (B)	-	-	-
<b>Restated profit for the year from continuing operations (C=A-B)</b>	<b>509.54</b>	<b>56.26</b>	<b>(28.19)</b>

			<b>9)</b>
Total tax expenses (D)	171.34	(5.62)	5.66
Exceptional items (E)	-	-	-
Finance costs (F)	6.93	0.25	0.72
Depreciation and amortization expense (G)	2.33	0.07	0.04
Other income (H)	19.10	0.01	-
<b>EBITDA (I=C+D+E+F+G-H)</b>	<b>671.04</b>	<b>50.95</b>	<b>(21.78)</b>
Share based payment expense (J)	-	-	-
<b>Adjusted EBITDA (K=I+J)</b>	<b>671.04</b>	<b>50.95</b>	<b>-21.78</b>

a) Net worth is derived as below

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Share capital</b>	0.50	0.50	0.50
<b>Reserves and Surplus</b>	525.28	15.75	(40.51)
Retained Earnings	-	-	-
<b>Net worth</b>	<b>525.78</b>	<b>16.25</b>	<b>(40.01)</b>

b) The ratios on the basis of Restated Financial Information have been computed as below:

Basic Earnings per share (₹) =	Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company
	Weighted average number of Equity Shares outstanding during the year/period post sub-division/bonus
Diluted Earnings per share (₹) =	Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company
	Weighted average number of Equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential Equity shares post sub-division/bonus
Return on Net Worth (%) =	Restated net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company
	Restated total equity attributable to equity holders
Net asset value per Equity Share=	Restated Total equity attributable to equity holders
	Weighted Average Number of equity shares outstanding during the year/ period post sub-division/bonus
Net Assets=	Total assets less total liabilities
EBITDA=	Restated profit/(loss) for the respective year/period + total tax expenses + exceptional items + finance costs + depreciation and amortisation - other income

The following table sets forth our Company's capitalisation as at March 31, 2024, derived from our Restated Financial Statements, and as adjusted for the Offer.

(Rs. In Lakhs)

Particulars	Pre-Issue	Post Issue *
<b>Borrowings</b>		
Short-Term Borrowings (A)	3.81	●
Long-Term Borrowings (B)	-	●
<b>Total Borrowings (C)</b>	<b>3.81</b>	<b>●</b>
<b>Shareholder's Fund (Equity)</b>		
Equity Share Capital	0.50	●
Reserve & Surplus	525.28	●
<b>Total Shareholder's Fund (D)</b>	<b>525.78</b>	<b>●</b>
<b>Long-Term Borrowings/ Equity (B/D)</b>	<b>0.00</b>	<b>●</b>

<b>Total Borrowings/ Equity (C/D)</b>	<b>0.72</b>	<b> ● </b>
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The corresponding post issue figures has been intentionally left blank and will be incorporated in the prospectus on finalization of the issue price.

### **OTHER FINANCIAL INFORMATION**

The Audited Financial Statements of our Company as at and for the ended March 31, 2024, March 31, 2023 and March 31, 2022 and their respective Audit reports thereon are available at <https://www.ravelcare.com>.

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus or (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Restated Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Profit After Tax	509.54	56.26	(28.19)
Basic & Diluted Earnings per Share	10.18	1.12	(0.56)
Return on Net Worth (%)	96.91%	346.27%	70.46%
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	10.51	0.32	(0.80)
Net Asset Value/Book Value per Equity share (Based on the Weighted Average number of Shares)	10.51	0.32	(0.80)
Earnings before interest, tax, depreciation and amortization (EBITDA) (₹ In Lakhs)	671.04	50.95	(21.78)



**STATEMENT OF 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 March 31, 2024:

<b>Sr. No.</b>	<b>Nature of Borrowing</b>	<b>Outstanding Amount (Rs. In lakhs)</b>
1.	Secured Borrowing	Nil
2.	Unsecured Borrowing	3.81

**DETAILS OF UNSECURED BORROWINGS:**

<b>Sr. No.</b>	<b>Category of Borrowing</b>	<b>Name of the Lender</b>	<b>Amount Outstanding as at March 31, 2024</b>
1.	Loan from Director	Ayush Mahesh Varma	3.81

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Red Herring Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act. Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" 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 specializes in personalized haircare, skincare and bodycare solutions within the beauty and personal care industry. Our business model focuses on a direct-to-consumer (D2C) approach, strategically leveraging e-commerce platforms and digital channels to engage with customers directly.

Our diverse product portfolio encompasses three main categories i.e., customized haircare, skincare and bodycare each meticulously designed to cater to individual needs and preferences. Our haircare range offers a comprehensive selection of shampoos, conditioners, treatments, and styling products. Tailored to diverse hair types and concerns, our solutions enable customers to personalize their haircare routine to combat issues ranging from frizz and damage to dandruff and hair fall. Through customizable formulas and personalized recommendations, we empower individuals to achieve optimal hair health and vitality. Our skincare line features a comprehensive array of products, including cleansers, serums, moisturizers, sunscreen and targeted treatments, crafted to address specific skin concerns such as aging, acne, dryness, and sensitivity. Our offerings empower clients to tailor their skincare regimen according to their unique skin type, goals, and ingredient preferences. Our customized bodycare products encompass body wash and body lotion, contributing to nourishing, moisturizing, and rejuvenating the skin.

For further details please refer to the chapter titled "Our Business" beginning on page 100 of this Draft Red Herring Prospectus.

### **Our key performance indicators for the last three Fiscals are as follows:**

(Rs. In Lakhs except percentages)

<b>Particulars</b>	<b>FY 2023-2024</b>	<b>FY 2022-2023</b>	<b>FY 2021-2022</b>
Revenue from operations <sup>(1)</sup>	2208.78	349.36	78.86
Growth in revenue from operation (in %) <sup>(2)</sup>	532.23%	343.01%	-
EBITDA <sup>(3)</sup>	671.04	50.95	(21.78)
EBITDA Margin (in %) <sup>(4)</sup>	30.38%	14.58%	27.61%
PAT <sup>(5)</sup>	509.54	56.26	(28.19)
PAT Margin (in %) <sup>(6)</sup>	23.06%	16.10%	35.74%
Net worth <sup>(7)</sup>	525.78	16.25	(40.01)
ROE (in %) <sup>(8)</sup>	187.41%	(426.18)%	86.88%
Capital employed <sup>(9)</sup>	529.60	56.78	1.65
ROCE (in %) <sup>(10)</sup>	128.57%	89.19%	(1362.49)%

#### **Notes:**

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- EBITDA is calculated as Profit before tax + Depreciation & amortization + Finance Cost (-) Other Income
- EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
- PAT = Net Profit Before Tax (-) Taxes.

6. PAT Margin (%) is calculated as PAT for the period/year divided by revenue from operations.
7. Net worth is aggregate value of the paid-up equity share capital of the Company and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, excluding revaluation reserves if any, as per Restated Financial Information.
8. Return on Equity (%) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by Net worth.
9. Capital Employed is calculated as total equity plus total borrowings and deferred tax liabilities minus intangible assets.
10. Return on Capital Employed is calculated as earnings before interest and taxes divided by Capital Employed. Earnings before interest and tax is calculated as restated profit / (loss) for the period / year plus total tax expense/ (credit) plus finance costs.

## **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in this Draft Red Herring Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.
- We may not be able to sustain our historical growth rates, and our historical performance may not be indicative of our future growth or financial results.
- Any change in government policies resulting in increases in taxes payable by us.
- Our ability to retain our Key Management Personnel and other employees.
- Changes in laws and regulations that apply to the industries in which we operate.
- Our ability to grow our business.
- Disruption to our IT Infrastructure.
- Failure to protect confidential information, prevent cyber security and data breaches or improper use
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
- Company's ability to successfully implement its growth strategy and expansion plans.
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate.
- Global distress due to pandemic, war or by any other reason.
- Conflicts of interest with the promoter group and other related parties.
- Our ability to capitalize on trends in the beauty and personal care market in India.
- Our ability to increase wallet share and repeat orders from existing customers and attract new consumers in a cost-efficient manner.
- Continuing to invest in marketing, while also driving marketing efficiency.
- Failure to successfully upgrade our product portfolio, from time to time.

## **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 146 of this Draft Red Herring Prospectus.

## RESULTS OF OUR OPERATIONS

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 March 2024	% of Total Income	For the year ended 31 March 2023	% of Total Income	For the year ended 31 March 2022	% of Total Income
Revenue from Operations	2,208.78	99.14%	349.36	100.00%	78.86	100.00%
Other Income	19.10	0.86%	0.01	0.00%	-	0.00%
<b>Total Income</b>	<b>2,227.88</b>	<b>100.00%</b>	<b>349.37</b>	<b>100.00%</b>	<b>78.86</b>	<b>100.00%</b>
<b>Expenses</b>						
Cost Raw Material Consumed	-	-	-	-	-	-
Purchases of Stock in Trade	628.96	28.23%	139.96	40.06%	16.88	21.41%
Change in Inventories of work in progress, finished goods and Stock in Trade	20.16	0.91%	(63.54)	(18.19)%	-	0.00%
Employee Benefit Expenses	84.55	3.79%	25.42	7.28%	7.71	9.78%
Finance Costs	6.93	0.31%	0.25	0.07%	0.72	0.91%
Depreciation and Amortization Expenses	2.33	0.10%	0.07	0.02%	0.04	0.05%
Other Expenses	804.07	36.09%	196.56	56.26%	76.00	96.37%
<b>Total expenses</b>	<b>1,547.00</b>	<b>69.44%</b>	<b>298.73</b>	<b>85.51%</b>	<b>101.35</b>	<b>128.53%</b>
<b>Restated profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>	<b>680.88</b>	<b>30.56%</b>	<b>50.64</b>	<b>14.49%</b>	<b>(22.50)</b>	<b>(28.53)%</b>
Exceptional Item						
<b>Restated profit/(Loss) before Extraordinary Item and Tax</b>	<b>680.88</b>	<b>30.56%</b>	<b>50.64</b>	<b>14.49%</b>	<b>(22.50)</b>	<b>(28.53)%</b>
Extraordinary Item	-	0.00%	-	0.00%	0.04	0.05%
<b>Restated profit/(Loss) before Tax</b>	<b>680.88</b>	<b>30.56%</b>	<b>50.64</b>	<b>14.49%</b>	<b>(22.54)</b>	<b>(28.58)%</b>
Tax Expenses						
- Current Tax	172.98	7.76%	-	0.00%	-	0.00%
- Deferred Tax	(1.64)	(0.07)%	(5.62)	(1.61)%	5.68	7.20%
- Short /(Excess) provision for Deferred tax of earlier year	-	0.00%	-	0.00%	(0.02)	(0.03)%
<b>Total Tax Expense</b>	<b>171.34</b>	<b>7.69%</b>	<b>(5.62)</b>	<b>(1.61)%</b>	<b>5.66</b>	<b>7.17%</b>
<b>Restated profit/(Loss) after Tax</b>	<b>509.54</b>	<b>22.87%</b>	<b>56.26</b>	<b>16.10%</b>	<b>(28.19)</b>	<b>(35.75)%</b>
Restated Earnings Per Share (Face Value per Share Rs.10 each)						
-Basic	10.18	0.46%	1.12	0.32%	(0.56)	0.71%
-Diluted	10.18	0.46%	1.12	0.32%	(0.56)	0.71%

## KEY COMPONENTS OF COMPANY'S PROFIT AND LOSS STATEMENT

- **Revenue from operations:** Revenue from operations mainly consists of sales of products.
- **Other income:** Other income consists of other Non-operating income, interest income and dividend income.
- **Expenses:** The Company's expenses consists of cost of raw material consumed, purchase of stock intrade, change in inventories of work in progress, finished goods and Stock in Trade, employee benefit expenses, finance cost, depreciation and amortization expense, and other expenses.
- **Cost of material consumed:** Cost of material consumed consists of opening stock, purchase of raw material, direct expenses, and closing stock.
- **Purchases of Stock in Trade:** Company's Purchase of Stock in Trade consist of Purchase of Material.
- **Change in Inventories of work in progress, finished goods and Stock in Trade:** changes in inventories of finished goods, semi-finished goods, and stock in trade consist of the difference between the opening and closing value of stock.
- **Employee benefits expense:** Employee benefit expenses include salaries and wages, gratuity expenses and staff welfare expenses.
- **Finance cost:** Finance cost includes interest expenses and bank charges.
- **Depreciation and amortization expense:** We recognize depreciation and amortization expense on a WDV (Written-Down Value) basis as per the rates set forth in the Companies Act, 2013/Companies Act, 1956, as applicable.
- **Other expenses:** Other expenses include marketing expenses, selling and distribution expenses, printing and stationery, website platform expenses etc.

### **Financial year 2024 compared with financial year 2023**

#### ***Total Income***

Total income for the financial year 2023-24 was ₹ 2,227.88 Lakhs whereas in financial year 2022-23 it was ₹ 349.37 Lakhs representing an increase of 537.68%. The main reason of increase was increase in the volume of sale of products by the Company. The total income consists of revenue from operations and other income.

#### ***Revenue from Operations***

During the financial year 2023-24 the net revenue from operation of our Company increased to Rs. 2,208.78 Lakhs as against Rs. 349.36 Lakhs in the financial year 2022-23 representing an increase of 532.23% which was due to increase in the volume of sale of products by the Company.

#### ***Other Income***

During the financial year 2023-24 the other income of our Company increased to Rs. 19.10 Lakhs as against Rs. 0.01 lakhs in the financial year 2022-23 which was due to interest received from fixed deposits.

#### ***Purchase of Stock in trade***

During the financial year 2023-24 the purchase of stock in trade of our Company increased to ₹ 628.96 Lakhs as against Rs. 139.96 Lakhs in the financial year 2022-23 representing an increase of 349.37%. which was due to increase in the purchase of material.

#### ***Change in Inventories of WIP, Finished Goods & Stock in Trade***

During the financial year 2023-24 the change in inventories of WIP, finished goods & stock in trade of our Company increased to ₹ 20.16 Lakhs as against Rs (63.54) lakhs in the financial year 2022-23 representing an increase of 131.74% which was due to strategic inventory management in response to sales trends.

#### ***Employee Benefit Expenses***

During the financial year 2023-24 the employee benefit expenses of our Company increased to ₹ 84.55 Lakhs as against ₹ 25.42 lakhs in the financial year 2022-23 representing an increase of 232.57% which reflects our investment in human resources to support business expansion.

### ***Finance Costs***

During the financial year 2023-24 the finance cost of our Company increased to ₹ 6.93 Lakhs as against ₹ 0.25 in the Financial year 2022-23 representing increase of 2693.13% which was due to increase in interest expense and bank charges.

### ***Depreciation and Amortization Expenses***

During the financial year 2023-24 the depreciation of our company increased to ₹ 2.33 Lakhs as against ₹ 0.07 Lakhs during the financial year 2022-23.

### ***Other Expenses***

During the financial year 2023-24 the other expenses of our company increased to ₹ 804.07 Lakhs as against ₹ 196.56 Lakhs during the financial year 2022-23. The increase in other expenses was around 309.06% which was due to significant increase in selling and distribution expenses and advertisements costs.

### ***Restated profit/(loss) before tax***

During the financial year 2023-24 the Profit before tax increased to ₹ 680.88 Lakhs as against ₹ 50.64 Lakhs during the financial year 2022-23. The increase in Profit before tax was around 1,244.62% which was due to the increase in sales and revenue.

### ***Tax Expenses***

During the financial year 2023-24 tax expenses of our company increased to ₹ 172.98 Lakhs as against ₹ (5.62) Lakhs during the financial year 2022-23.

### ***Restated profit/(loss) after tax***

As a result of the foregoing factors, our profit after tax for the year increase by ₹ 805.75% from net profit of ₹ 509.54 Lakhs in financial year 2023-24 to net profit ₹ 56.26 lakhs in financial year 2022-23.

## **Financial year 2023 compared with financial year 2022**

### ***Total Income***

Total income for the financial year 2022-23 was ₹ 349.37 Lakhs whereas in financial year 2021-22 it was ₹ 78.86 Lakhs representing an increase of 343.05%. which was due to increase in the volume of sale of products by the Company. The total income consists of revenue from operations and other income.

### ***Revenue from Operations***

During the financial year 2022-23 the revenue from operation of our Company increased to Rs. 349.36 Lakhs as against Rs. 78.86 Lakhs in the Financial Year 2021-22 representing an increase of 343.03% which was due increase in the volume of sale of products by the Company.

### ***Other Income***

Other income had increased 100% to ₹ 0.01 lakhs in financial year 2022-23 as compared to financial year 2021-22 due to other non – operating income.

### ***Purchase of Stock in trade***

During the financial year 2022-23 the purchase of stock in trade of our Company increased to ₹ 139.96 Lakhs as against ₹ 16.88 Lakhs in the financial year 2021-22 representing an increase of 729.03%. which was due to increase in the purchase of material.

### ***Change in Inventories of WIP, Finished Goods & Stock In Trade***

During the financial year 2022-23 the inventory of our company was ₹ (63.54) Lakhs. Our Company did not have any inventory in the financial year 2021-22.

#### ***Employee Benefit Expenses***

During the financial year 2022-23 the employee benefit expenses of our Company increased to ₹ 25.42 Lakhs as against ₹ 7.71 lakhs in the financial year 2021-22 representing an increase of 229.58% which was due to increase in salaries and wages.

#### ***Finance Costs***

During the financial year 2022-23 the finance cost of our Company decreased to ₹ 0.25 Lakhs as against ₹ 0.72 in the financial year 2021-22 representing decrease of 65.59% which was due to decrease in bank charges.

#### ***Depreciation and Amortization Expenses***

During the financial year 2022-23 the depreciation of our company increased to ₹ 0.07 Lakhs as against ₹ 0.04 Lakhs during the financial year 2021-22. The increase in depreciation was around 87.63% which was due to addition in assets.

#### ***Other Expenses***

During the financial year 2022-23 the other expenses of our company increased to ₹ 196.56 Lakhs as against ₹ 76.00 Lakhs during the financial year 2021-22. The increase in other expenses was around 158.65% which was due to significant increase in advertisements, marketing and other costs.

#### ***Restated profit/(loss) before tax***

During the financial year 2022-23 the Profit before tax increased to ₹ 50.64 Lakhs as against ₹ (22.54) Lakhs during the financial year 2021-22. The increase in Profit before tax was around 324.70% which was due to increase in sales and revenue.

#### ***Tax Expenses***

During the financial year 2022-23 tax expenses of our company increased to ₹ (5.62) Lakhs as against ₹ 5.66 Lakhs during the financial year 2021-22.

#### ***Restated profit/(loss) after tax***

As a result of the foregoing factors, our profit after tax for the year increase by 299.55% from net profit of ₹ 56.26 Lakhs in financial year 2022-23 to net loss Rs. (28.19) lakhs in financial year 2021-22.

#### **Cash Flows**

(Amount ₹ in lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Net Cash from Operating Activities	648.60	100.29	(41.03)
Net Cash from Investing Activities	(691.67)	(1.16)	0.01
Net Cash used in Financing Activities	(43.65)	(1.13)	40.94

#### ***Cash Flows from Operating Activities***

Net cash from operating activities for financial year 2023-24 was at 648.60 lakhs as compared to the Profit Before Tax at ₹ 680.88 lakhs while for financial year 2022-23 net cash from operating activities was at ₹ 100.29 lakhs as compared to the Profit Before Tax at ₹ 50.64 Lakhs. This was primarily due to adjustments against, changes in working capital & income tax Paid.

Net cash from operating activities for financial year 2022-23 was at 100.29 lakhs as compared to the Profit Before Tax at ₹ 50.64 lakhs while for financial year 2021-22 net cash from operating activities was at ₹ (41.03)

lakhs as compared to the Profit Before Tax at ₹ (22.54) Lakhs. This was primarily due to adjustments against, changes in working capital & income tax Paid.

Net cash from operating activities for financial year 2021-22 was at ₹ (41.03) lakhs as compared to the Profit Before Tax at ₹ (22.54) lakhs.

#### ***Cash Flows from Investment Activities***

In the financial year 2023-24, the net cash from investing activities was ₹ (691.67) lakhs. This was mainly due to investments in term deposits.

In the financial year 2022-23, the net cash from investing activities was ₹ (1.16) lakhs. This was on due to Purchase of Property, Plants and Equipment.

In the financial year 2021-22, the net cash from investing activities was ₹ 0.01 lakhs. This was on due to Sale of Property, Plants and Equipment.

***The details of adjustment are as under. (Year-wise)***

<b>Particulars</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Purchase of Property, Plants and Equipment	(23.18)	(1.16)	-
Sale of Property, Plants and Equipment	-	-	0.01
Purchase of equity instruments	(79.26)	-	-
Investments in Term Deposits	(608.34)	-	-
Dividend Received	19.09	-	-
Interest income	0.02	-	-
<b>Net cash from investing activities (b)</b>	<b>(691.67)</b>	<b>(1.16)</b>	<b>0.01</b>

#### ***Cash Flows from Financing Activities***

In the financial year 2023-24, the net cash from financing activities was ₹ (43.65) lakhs. This was on account of repayment of borrowings.

In the financial year 2022-23, the net cash from financing activities was ₹ (1.13) lakhs. This was on account of repayment of borrowings.

In the financial year 2021-22, the net cash from financing activities was ₹ 40.94 lakhs. This was on account of proceeds of borrowings.

***The details of adjustment are as under. (Year-wise)***

<b>Particulars</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Interest and other borrowings costs	(6.93)	-	(0.72)
Proceeds/(repayment) of borrowings	(36.72)	(1.13)	41.66
<b>Net cash from financing activities (c)</b>	<b>(43.65)</b>	<b>(1.13)</b>	<b>40.94</b>

### **OTHER MATTERS**

#### **1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

#### **2. Significant economic changes affecting income from continuing operations**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

#### **3. Known trends or uncertainties impacting sales, revenue, or income**



Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 25 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

#### **4. Future changes in the relationship between costs and revenues**

Other than as described in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 25, 100 and 182 respectively of this Draft Red Herring Prospectus, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

#### **5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices**

Increases in our revenues are by and large linked to increases in the volume of business.

#### **6. Total turnover of each major industry segment in which our Company operates**

Our business activity primarily falls within a single business segment i.e. beauty and personal care segment, as disclosed in “*Restated Financial Statements*” on page 146 of this Draft Red Herring Prospectus, we do not follow any other segment reporting.

#### **7. Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Chapter “*Our Business*”, on page 100 of this Draft Red Herring Prospectus our Company has not announced any new product or service.

#### **8. Seasonality of business**

Our business is not subject to seasonality. For further information, see “*Industry Overview*” and “*Our Business*” on pages 86 and 100 respectively.

#### **9. Any significant dependence on a single or few suppliers or customers**

Our Company is significantly dependent on a few suppliers. For further details, refer to the chapter titled “*Risk factors*” on page 25 of Draft Red Herring Prospectus.

#### **10. Competitive Condition**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, price and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

### **SIGNIFICANT DEVELOPMENTS AFTER MARCH 2024**

After the date of last Balance sheet i.e., March 31, 2024, the following material events have occurred after the last audited period:

1. Our company was converted from Ravelcare Private Limited to Ravelcare Limited on June 14, 2024.
2. Our company has issued bonus shares which was approved by the Board of the Directors on July 16, 2024.
3. The Company has approved the Restated Financial Statements for the financial year ending March 31, 2024, March 31, 2023, and March 31, 2022 in the Board meeting dated July 20, 2024.
4. The issue has been authorized by our Board of Directors pursuant to a resolution passed at its meeting held on July 16, 2024 and by our Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting held on July 19, 2024 to raise funds by making an Initial Public Offering.
5. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated August 01, 2024.

**CAPITALISATION STATEMENT**

Particulars	Pre-Issue (as at March 31, 2024) (in Rs.)	Post Issue
Borrowing		
Long Term Borrowings (A)	-	[•]
Short Term Borrowings (B)	3,81,290.93	[•]
<b>Total Borrowings (C)</b>	<b>3,81,290.93</b>	<b>[•]</b>
Equity (Shareholder's Fund)		
Equity share Capital	50,000.00	[•]
Reserves & Surplus, as Restated	5,25,28,439.38	[•]
<b>Total Shareholders Fund (D)</b>	<b>5,25,78,439.38</b>	<b>[•]</b>
<b>Long Term Borrowing /Equity (A/D)</b>	-	<b>[•]</b>
<b>Total Borrowings/Equity (C/D)</b>	0.00725	<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. Short term Debts represent which are expected to be paid/payable within 12 months.
2. Long term Debts represent debts other than Short Term Debts as defined above.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2024.

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

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENTS**

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, or Promoter (ii) actions taken by statutory or regulatory authorities involving our Company, Directors or Promoter; (iii) outstanding claims involving our Company, Directors or Promoter 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 Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter and Directors, as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 5% of the profit after tax of the Company, as per the last restated audited standalone financial statements of the Company for a complete financial year i.e. F.Y. 2023-24; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter and Directors, 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://www.ravelcare.com/>*
- c) Notices received by our Company, Promoter, Directors, 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 / Promoters, 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 TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER**

#### **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**

Nil

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**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

**Mr. Maheshkumar Ramchandra Varma (Whole-time Director)**

**A.Y. 2021-2022:-**

As per details available on the website of the Income Tax Department Mr. Maheshkumar Ramchandra Varma (hereinafter referred to as the “Assessee”) has been issued with a demand notice bearing Demand Reference No. 2022202137077650004T dated July 04, 2022 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 1,49,520/- (Rupees One Lakh Forty-Nine Thousand Five Hundred and Twenty Only) in addition to an interest of Rs. 32,890/- (Rupees Thirty-Two Thousand Eight Hundred Ninety Only) for the A.Y. 2021-22 and the same has been disputed by the assessee.

**5) Other Pending Litigation based on Materiality Policy of our Company**

Nil

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**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

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES**

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiary and / or Group Company and hence this section is not applicable and hence deleted.

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTER GROUP 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 Companies 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 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 Companies 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 182 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 March 31, 2024: -

<b>Particulars</b>	<b>Balance as on March 31, 2024 (Rs. in Lacs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	96.82
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	32.28

As at March 31, 2024, there are four material creditors to whom our Company owed an amount of ₹ 103.11 lakhs. The details pertaining to outstanding dues towards our material creditors are available on the website of our Company at <https://www.ravelcare.com>.

## **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:

### **A. Approvals in relation to Our Company's incorporation**

<b>Sr. No.</b>	<b>Nature of Registration</b>	<b>CIN</b>	<b>Applicable Laws</b>	<b>Issuing Authority</b>	<b>Date of Issue</b>	<b>Date of Expiry</b>
1.	Certificate of Incorporation	U74999MH2018PTC317628	Companies Act, 2013	Registrar of Companies, Central Registration Centre	November 29, 2018	Valid until Cancelled
2.	Fresh Certificate of Incorporation Consequent upon Change of Name	U74999MH2018PLC317628	Companies Act, 2013	Registrar of Companies, Central Processing Centre	June 14, 2024	Valid until Cancelled

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

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

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on July 16, 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 July 19, 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 August 01, 2024 authorized our Company to take necessary action for filing the Draft Red Herring Prospectus/RHP/Prospectus as the case may be with the NSE EMERGE.

#### ***Approvals from Stock Exchange***

1. Our Company has received in - principle listing approval from the NSE EMERGE dated [●] for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated May 23, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.

- The Company has entered into a tripartite agreement dated May 09, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.

**C. Approvals/Licenses/Permissions in relation to our Business**

**Tax Related Approvals:**

Sr. No.	Description	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAJCR2733B	Income Tax Department	November 30, 2018	Valid till Cancelled
2.	Tax Deduction Account Number (TAN)	NGPR06164E	Income Tax Department	November 30, 2018	Valid till Cancelled
3.	Professions Tax Registration Certificate (P.T.R.C.)	27692069112P	Professions Tax Department, Maharashtra	April 12, 2024	Valid till Cancelled
4.	Professions Tax Enrollment Certificate (P.T.E.C.)	99264427443P	Professions Tax Department, Maharashtra	April 15, 2024	Valid till Cancelled

**GST Registration Certificate:**

Sr. No.	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
1.	Certificate of Registration of Goods and Services Tax (Maharashtra)	Centre Goods and Services Tax Act, 2017	DS Goods and Service Tax Network	27AAJCR2733B1ZM	Original Certificate dated February 03, 2020  Latest Certificate dated July 25, 2024	Valid till Cancelled
2.	Certificate of Registration of Goods and Services Tax (Haryana)	Centre Goods and Services Tax Act, 2017	DS Goods and Service Tax Network	06AAJCR2733B1ZQ	Original Certificate dated October 26, 2023  Latest Certificate dated July 23, 2024	Valid till Cancelled
3.	Certificate of Registration of Goods and Services Tax (Karnataka)	Centre Goods and Services Tax Act, 2017	DS Goods and Service Tax Network	29AAJCR2733B1ZI	Effective from February 29, 2024  Latest Certificate dated July 08, 2024	Valid till Cancelled



**Registrations related to Labour Laws:**

Sr. No.	Description	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Registration under Employees State Insurance Act, 1948	35000931270000304	Employees' State Insurance Corporation	May 24, 2024	Valid till Cancelled
2.	Registration under Maharashtra Shops & Establishments Act, 2017	820349361/PN Ward/Commercial II	Department of Labour, Maharashtra, Mumbai	July 13, 2024	Valid till Cancelled

**Business Related Approvals held by the manufacturer of the products sold under the Company's Brand:**

Sr. No.	Description	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Food & Drugs License	LIC No-MH/105435	Food & Drugs Administration (Maharashtra State)	October 23, 2023	October 22, 2028

**Other Business Related Approvals:**

Sr. No.	Description	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Udyam Registration Number	UDYAM-MH-18 0334329	Ministry of Micro Small & Medium Enterprises	April 12, 2024	Valid till Cancelled
2.	Importer-Exporter Code	AAJCR2733B	Ministry of Commerce and Industry, Directorate General of foreign Trade	July 25, 2024	Valid till Cancelled

**INTELLECTUAL PROPERTY****Trademarks registered/Objected in the name of our company:**

Sr. No	Brand Name/ Logo Trademark	Class	Application number	Date of Application	Authority	Current Status
1.	Word "Ravel"	3	5446066	May 12, 2022	Trade Mark registry Intellectual Property India	Objected

**Domain Name**

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="http://www.ravelcare.com">www.ravelcare.com</a>	Registry Domain ID: 2488292599_DOMAIN_COM VRSN	Registrar: GoDaddy.com, LLC Registrar IANA ID: 146	February 04, 2020	February 04, 2025

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 pursuant to change of its constitution from Private Limited to Public Limited and the recent shifting of the Registered office of the Company.

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), “group companies” in relation to the disclosure in Offer Documents, our Company shall include (i) the companies (other than our Subsidiaries and Promoter, as applicable) with which there were related party transactions, in accordance with AS 18, as disclosed in the Restated Financial Information; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

With respect to (ii) above, our Board in its meeting held on July 16, 2024 has approved that such companies that are a part of the promoter group (as defined in the SEBI ICDR Regulations) with which there were transactions in the most recent financial year and stub period, if any, to be included in the issue documents (“**Test Period**”), which individually or in the aggregate, exceed 10% of the total revenue of the Company as per the last restated audited standalone financial statements of the Company for the Test Period, shall also be classified as group companies.

Based on the above, our Company does not have “Group Companies” in terms of the definition provided for above, as on date of this Draft Red Herring Prospectus.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The issue has been authorized by our Board pursuant to its resolution dated July 16, 2024 and the Fresh Issue has been authorized by our Shareholders pursuant to their special resolution dated July 19, 2024. Our Board has approved the Draft Red Herring Prospectus pursuant to its resolution dated August 01, 2024.

Our Company has received in-principle approvals from [●] for the listing of the Equity Shares pursuant to its letter dated [●].

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoters, members of the Promoter Group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### **Association with Securities Market**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### **Prohibition by RBI**

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Developments*” beginning on page 191 of the Draft Red Herring Prospectus.

### **Confirmation under Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### **Eligibility for the Issue**

Our Company is eligible in terms of Regulation 228 and Regulation 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an ‘unlisted issuer’ in terms of the SEBI (ICDR) Regulations; and this Issue is an ‘Initial Public Issue’ in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital would be more than 10 crores, and can issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange.

We further confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the issue shall underwrite minimum 15% of the Total Issue Size *please refer to the paragraph titled 'Underwriting' under the section titled 'General Information' on Page 49 of this Draft Prospectus*

1. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the issue document.

2. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge. For further details of the arrangement of market making please refer to the paragraph titled 'Details of the Market Making Arrangements for this Issue' under the section titled *General Information* on page 49 of this Draft Red Herring Prospectus.
3. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to NSE Emerge is the Designated Stock Exchange.
4. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
5. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
6. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **NSE ELIGIBILITY NORMS**

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 2013 in India.

- ***Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than ₹ 25 crores***

The present paid up capital of our company is 5,00,50,000 and we are proposing IPO upto 20,00,000 Equity shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] lakhs. Hence our post issue Paid up capital will be upto ₹ [●].

- ***Track Record***

The Company should have a track record of at least 3 years.

Our Company was incorporated on November 29, 2018 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Therefore, we are in compliance with criteria of having track record of 3 years.

- **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our Company is having operating profit, details are mentioned as below.

(₹ in lakhs)			
Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Total Income	2,227.88	349.37	78.86
Operating Profit (earnings before interest, depreciation and tax)	671.04	50.95	(21.78)

- **\*Net-worth: Positive Net-worth**

As per Restated Financial Statement, the net-worth of our Company is ₹ 525.78 as on March 31, 2024.

*\*Net worth means sum of paid up capital, reserves (excluding revaluation reserves) and Share premium, if any. For further details, see "Restated Financial Statements beginning on page 146.*

- **It is mandatory for a company to have a website.**

Our Company has website i.e. <https://www.ravelcare.com/>

- **It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.**

Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited dated May 23, 2024 and National Securities Depository Limited dated May 09, 2024 for establishing connectivity.

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- We confirm that no material regulatory or disciplinary action has been taken against our Company by a stock exchange or regulatory authority in the past three years.
- There have been no instances in the past 6 months, whereby any IPO draft offer document filed by the BLRM with the Exchange was returned.

#### **Other Disclosures:**

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoter and Group Companies.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoter during the past three years.
- There are no litigations record against our Company, Promoter except disclosed on page 191 in section "Outstanding Litigation and Other Material Developments".
- There are no criminal cases/investigation/offences filed against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

## **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS 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 DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, MARWADI CHANDARNA INTERMEDIARIES BROKERS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 01, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY 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 THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

## **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, our Promoter, our Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website <https://www.ravelcare.com> 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 entered between the Book Running Lead Manager and our Company on July 29, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in 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 competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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) at India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this 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 this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company 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 Offer, which contains the selling restrictions for the issue outside India.

#### **Disclaimer Clause of the NSE EMERGE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE EMERGE. The disclaimer clause as intimated by NSE EMERGE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

#### **Disclaimer Clause under Rule 144A of The U.S. Securities Act, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

### **Filing**

This Draft Red Herring Prospectus is being filed with the Emerge Platform, where the Equity Shares are proposed to be listed National Stock Exchange Limited of India Limited (NSE Emerge) is located at the Mumbai, Maharashtra.

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

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated at Mumbai, Maharashtra.

### **Listing**

Application will be made to the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) for obtaining permission to deal in and for an official quotation of our Equity Shares. Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our company has received an In-principle Approval letter dated [●] from [●] for using its name in this Offer document for listing our shares on the [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within three Working Days from the issue Closing Date.

### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Managerial Personnel (SMP), Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue, Market Maker to the Issue, to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent dated July 24, 2024 from the Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft



Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated July 20, 2024 on our restated financial information; and (ii) its report dated July 24, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

### **Experts**

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

- Report of the Statement of Possible of Tax Benefits dated July 24, 2024.
- Report of the Auditor on the Restated Financial Statements of our Company for the Period Year ended March 31, 2024, 2023, 2022 dated July 20, 2024

The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

*“Any person who-*

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

### **Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Draft Red Herring Prospectus, please refer to section titled “*Capital Structure*” on page 60 of this Draft Red Herring Prospectus.

### **Commission or brokerage on previous issues of the Equity Shares in the last five years**

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for the last five years by our Company.

### **Particulars regarding capital issues in the preceding three years**

Except as disclosed in the section titled “*Capital Structure*” on page 60, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies. Further, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

#### **Price information and the track record of the past issued handled by the BRLM:**

Since none of the Issues managed by the Book Running Lead Manager is listed on any of the Stock Exchanges, the stated disclosure is not applicable.

#### **Stock market data of the Equity Shares**

As the issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### **Mechanism for Redressal of Investor Grievances**

The Registrar Agreement provides for retention of records with the Registrar to the issue for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the issue for redressal of their grievances. The Registrar to the issue shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Bidders.

**Bidders can contact the Company Secretary and Compliance Officer, the BRLMs and/or the Registrar to the issue in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.**

All Offer 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, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Bidder, number of the 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 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.

For Offer-related grievances, investors may contact the BRLMs, details of which are given in “*General Information – Book Running Lead Managers*” on page 50.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, 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.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI ICDR Master Circular”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“March 2021 Circular”), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out

of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, 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, 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 circular March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, 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 Exchanges 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 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 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 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 BRLMs shall be liable to compensate the investor ₹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.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on July 16, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 129 of this Draft Red Herring Prospectus.

The members of the Stakeholders' Relationship Committee are:

Name of Director	Status in the Committee	Designation
Mr. Ajinkya Rajendra Jain	Chairman	Independent Director
Mr. Bhuvnesh Kumar	Member	Independent Director
Ms. Anita Mahesh Varma	Member	Non-executive director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders' Relationship Committee.

**Our Company has appointed Pragya Lalwani, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Pragya Lalwani**

**Address:** 11/696, Manak, Choupasni Housing Board, Jodhpur – 342008, Rajasthan, India.

**Telephone No.:** +91 84339 80120

**E-mail:** [pragya@ravelcare.com](mailto:pragya@ravelcare.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

#### **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 or received any exemptions from SEBI from complying with any provisions of securities laws.

## **SECTION VIII: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being issued and allotted pursuant to the issue shall be subject to the provisions of the Companies Act 2013, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MOA, the AOA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges (NSE), the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority, as in force on the date of the issue and to the extent applicable.*

#### **Authority for the Issue**

The present Issue of upto 20,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs comprising of a fresh issue which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 16, 2024 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on July 19, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of the Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 refer to “*Main Provisions of the Articles of Association*” on page 252252 of this Draft Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable laws including guidelines or directives that may be issued by the GoI in this respect and as recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “*Dividend Policy*” on page 145 of this Draft Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The Face Value of each Equity Share is ₹ 10/- each and the issue Price at the lower end of the Price Band is ₹ [●] per equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per equity Share (“**Cap Price**”). The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of English, an English national daily newspaper and all editions of Hindi, a Hindi national daily newspaper and Marathi edition of Marathi, a regional newspaper each with wide circulation where the registered office of the Company is situated and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The issue price shall be determined by our company in consultation with the BRLM and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 77 of this Draft Red Herring Prospectus.

#### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

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/splitting, see “*Main Provisions of the Articles of Association*”, beginning on page 252252 of this DRHP.

#### **Allotment only in dematerialised form**

As per the provisions of the Depositories Act, 1996 and in terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form, i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the existing SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated May 09, 2024 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated May 23, 2024 between CDSL, our Company and Registrar to the Issue.

**Furnishing the details depository account is mandatory and applications without a depository account shall be treated as incomplete and rejected.**

#### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the [●] from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allotees**

In accordance with the Regulation 268 (1) of SEBI ICDR Regulations, the Minimum number of allottees in this Issue shall be 50 (Fifty) shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

### **Joint Holders**

Subject to the provisions of the AOA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

*The above information is given for the benefit of the Applicants. 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. 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.*

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest 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 he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 ninety (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 the nomination, they are requested to inform their respective Depository Participant.

### Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Share capital and Promoter’s minimum contribution under the SEBI ICDR Regulations as provided in “*Capital Structure*”, beginning on page 60 of this DRHP and except as provided under the AOA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AOA. For details, see “*Main Provisions of the Articles of Association of our Company*”, beginning on page 252 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 Managers 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.*

### Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the issue at any time after the issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) working days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) working day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the issue is also subject to obtaining i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with the BRLM withdraws the issue after the issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus/ Red Herring Prospectus with the Stock Exchange.

### Bid/Issue Programme

<b>ANCHOR PORTION OPENS ON</b>	[●] <sup>(1)</sup>
<b>ISSUE OPENS ON</b>	[●] <sup>(1)</sup>
<b>ISSUE CLOSES ON</b>	[●] <sup>(2) (3)</sup>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares	On or about [●]

Note:

(1) Our Company shall, in consultation with the Book Running Lead Managers, 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 shall, in consultation with the Book Running Lead Managers, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Issue Closing Date.



\*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/Offer 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 from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer 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/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, 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 above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLMs.**

**While 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 such period of the Bid / Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. 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.**

In terms of the UPI Circulars, in relation to the Issue, the BRLMs 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, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**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. IST
<b>Bid/ Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs other than QIBs and NIIs	Only between 10.00 a.m. and 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST

Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and 3:00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and 1:00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and 12:00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

*\*UPI mandate end time and date shall be at 5.00 pm on Bid/Offer Closing Date.*

*# QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

**On the Bid/ Offer Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the issue shall submit the details of cancelled / withdrawn / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer 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/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/hardware system or blocking of application amount by the SCSBS on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a**

**total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminal of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

### **Minimum Subscription**

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within two working days from the closure of the issue. If there is a delay beyond such time, our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

The minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

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 this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

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.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board Platform of Stock Exchanges on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above Rs.25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to [●] for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than Rs.10 crores but below Rs.25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders 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
3. Shall comply with the conditions laid down by the Stock Exchanges time to time.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the [●].

### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be offered 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.

### **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.

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the NSE EMERGE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the [●]. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 49 of this Draft Red Herring Prospectus.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## 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 Offer paid up capital is less than ₹ 10 crores shall Offer 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 NSE EMERGE). For further details regarding the salient features and terms of such an Offer, please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page no. 209 and 220 respectively of this Draft Red Herring Prospectus.*

### Issue Structure:

The present initial public offer is upto 20,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 16, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on July 19, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013. The issue comprises a reservation of upto [●] Equity Shares of ₹ [●] each for subscription by the designated Market Maker (the “Market Maker Reservation Portion”) and a Net Issue to Public of [●] Equity Shares of ₹[●] each is hereinafter referred to as the Net Issue. The issue and the Net Offer will constitute [●] % and [●] %, respectively of the post Issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process:

Particulars of the issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	Up to [●] Equity shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
<b>Percentage of Issue size available for allocation</b>	[●] of the issue size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.”	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	Proportionate as follows: (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	Proportionate basis subject to minimum allotment of [●] Equity Shares

		<p>b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above</p> <p>Up to 60% of the QIB Portion (of up to [●] Equity Shares 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>		
<b>Mode of Bid</b>	Only through the ASBA Process	Only through the ASBA process. (Except for Anchor investors)	Through ASBA Process through banks or by using UPI ID for payment	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	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Trading Lot</b>	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Terms of Payment</b>	<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>(4)</sup></p> <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 or by the Sponsor Bank(s) through the UPI Mechanism (for RIBs or individual investors bidding under the Non – Institutional Portion for an amount of more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>			
<b>Mode of Bid</b>	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process			

will include the UPI Mechanism
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- (1) *This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- (3) *Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
- (4) *Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. 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 Price.*
- (5) *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 Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details see "Issue Procedure" beginning on page 220 of this Draft Red Herring Prospectus.*
- (6) *Anchor Investors are not permitted to use the ASBA process. 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 investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

The Bids by FPIs with certain structures as described under "**Issue Procedure - Bids by FPIs**" on pages 231 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

## ISSUE PROCEDURE

All applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information in 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; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been 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 II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.



Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the issue Closing Date by the intermediary responsible for causing such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and 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. Applicants 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 the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus and the Prospectus.

Further, our Company and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI 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 RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI 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 RII 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 issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds

will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** 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 issue 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.

This Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Bidders using the UPI Mechanism.

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 finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Book Running Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

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 make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

#### **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the issue shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the issue price. Further, not less than 15.00% of the issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the issue Price.

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 BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

***Investors 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, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Offer, subject to applicable laws.***

### **Availability of Draft Red Herring Prospectus (DRHP)/ RHP/Prospectus and Application Forms**

The Memorandum containing the salient features of this Draft Red Herring Prospectus together with the Application Forms and copies of this Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the issue as mentioned in the Application form. The application forms may also be downloaded from the website of [●] i.e. [●]. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date. Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) 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.

**Anchor Investors are not permitted to participate in the issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investor**	[●]
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis^	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis^	[●]

\*Excluding electronic Bid cum Application Forms

^\*\* Electronic Bid cum Application forms for Anchor Investor shall be made available at the office of the BRLM.

Electronic Bid Cum Application Forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)).

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”).

Sr. No.	Designated Intermediaries
1	An SCSB, with whom the bank account to be blocked, is maintained
2	A syndicate member (or sub-syndicate member)
3	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4	A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5	A registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid

*Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. 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 12:00 pm on the first Working Day after the Bid/ Offer Closing Date (“Cut- Off Time”). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 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.

## WHO CAN BID?

**Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.**

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian Nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) 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;
- g) 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);
- h) 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;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) 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;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

- r) 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;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies (OCB)

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **2. For other than Retail Individual Bidders (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this DRHP.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM 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 applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the issue and the same shall be advertised in all editions of English (a widely circulated English national daily newspaper), all editions of Hindi (a widely circulated Hindi national daily newspaper), Marathi editions of Maharashtra (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of English (a widely circulated English national daily newspaper), all editions of Hindi (a widely circulated Hindi national daily newspaper), Marathi (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the issue price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above The issue price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid. The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”. The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- c) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- d) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- e) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- f) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 220 of this Draft Red Herring Prospectus.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be



furnished to the ASBA Bidder on request.

- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the issue price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

#### **Participation by Associates /Affiliates of BRLM**

**The BRLM shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the issue opening Date and Offer Closing Date in the Red Herring Prospectus which will be registered with the RoC and also publish the same in all editions of English (a widely circulated English national daily newspaper), all editions of Hindi (a widely circulated Hindi national daily newspaper), all editions of Marathi (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located) with wide circulation. This advertisement shall be in prescribed format.
2. Our Company shall file the Red Herring Prospectus with the RoC at least 3 (three) days before the issue

Opening Date.

3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain this Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid 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 the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% 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 10.00% of any company's paid-up share capital carrying voting rights.

### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs or Overseas Citizen of India (OCI) 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 authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation basis shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% 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, on a repatriation basis, 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 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

### **Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

### **BIDS BY FPIS**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. 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 terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered

FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with 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.

For details of investment by FPIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 251 Participation of FPIs in the issue is subject to the FEMA Rules.

#### **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.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. However, large value

funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, 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 RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “*Key Industry Regulations and Policies*” beginning

on page 117 of this DRHP.

### **BIDS BY SCSBS**

SCSBs participating in the issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **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, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Offer 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, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, 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 BRLM, reserves the right to reject any Bid without assigning any reason thereof.

### **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations

are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200 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 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/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200 lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200 lakhs but up to 2500 lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100 lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500 lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to 2500 lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500 lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100 lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If The issue price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the issue price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If The issue price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminal of the syndicate member and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the issue through the ASBA process.

## **BIDS 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, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union 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 ₹ 2500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

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 Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] 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 Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the issue and the Registrar to the issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the issue and consequent transfer of the Application Amount to the Public Offer 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 Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

**Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of, in case of resident Anchor Investors: — “[●] – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●]– Anchor Account- NR”
- c) 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 from the Anchor Investors.

**Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol

2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in this Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the issue Period, after which the Registrar to the issue will receive this data from the Stock Exchange and will

validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the issue price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%

1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

***Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.***

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
25. RIBs 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, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) 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)); and
27. 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.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
13. 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;
14. 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);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;
20. 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. RIBs can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPIID for the purpose of blocking of funds, do not use any third-party bank account or third

party linked bank account UPI ID;

23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 49 and 129, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 49.

## **GROUND FOR TECHNICAL REJECTION**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Bid cum Application Form;
5. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
6. GIR number furnished instead of PAN;
7. Bid for lower number of Equity Shares than specified for that category of investors;
8. Bids at Cut-off Price by NIIs and QIBs;
9. Bids for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the DRHP;
10. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
11. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
12. Category not ticked;
13. Multiple Bids as defined in the DRHP;
14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
15. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
16. Signature of sole Bidder is missing;
17. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
18. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
19. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
20. Bid by OCBs;
21. Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
22. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
23. Bids not uploaded on the terminals of the Stock Exchanges;
24. Where no confirmation is received from SCSB for blocking of funds;
25. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
26. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
27. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
28. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
29. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
30. Details of ASBA Account not provided in the Bid cum Application form.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 49.

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/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.**



## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the issue price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the issue price.

The issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the issue at a price that is equal to or greater than The issue price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above The issue price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above The issue price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the issue price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the issue price.

the issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the issue at a price that is equal to or greater than the issue price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the issue price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the issue price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. Allotment To Anchor Investor (If Applicable)**

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i.** not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii.** one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii.** allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

### **d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the issue price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the issue price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i.** In the first instance, allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB

Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the issue price.

- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

ii. In the second instance, allotment to all QIBs shall be determined as follows:

- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the issue price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the [●] (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this RHP.

**Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with [●].**

**The Executive Director / Managing Director of [●] - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com)

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Offer, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE Emerge the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the issue on May 09, 2024.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the issue on May 23, 2024.
- c) The Company's Equity shares bear an ISIN No. INE0W4D01018

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.

- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of English (a widely circulated English national daily newspaper), all editions of Hindi (a widely circulated Hindi national daily newspaper), all editions of Marathi (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located)).

In the Pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the issue price but prior to the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law.

#### **IMPERSONATION**

Attention of the applicants 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 ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period 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 ₹1 million 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 ₹5 million or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

1. That the complaints received in respect of the issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of

- electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
  6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
  7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
  8. If our Company does not proceed with the issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
  9. If our Company withdraws the issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
  10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **UTILIZATION OF OFFER PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- Our Company shall not have recourse to the issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- The Book Running Lead Manager undertakes that the complaints or comments received in respect of the issue shall be attended by our Company expeditiously and satisfactorily.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the issue where the Application was submitted and a copy of the acknowledgement slip.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The 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 SAST 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 (Nondebt 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 of 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 220 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 or any state securities laws of the United States and, unless so registered, may not be issued 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 of the United States. 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 under laws or regulations.

## **SECTION IX – MAIN PROVISIONS OF THE ARTICLE OF ASSOCIATION**

Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

### **THE COMPANIES ACT, 2013 [COMPANY LIMITED BY SHARES] ARTICLES OF ASSOCIATION\* OF RAVELCARE LIMITED**

**I.** (1) In these regulations --

- (a) "Company" means Ravelcare Limited
- (b) "Office" means the Registered Office of the Company.
- (c) "The Act" means the Companies Act, 2013, and any statutory modification thereof
- (d) "The seal" means the common seal of the company.

(2) 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.

(3) The Company is a "Public Company" within the meaning of Section 2(71) of the Companies Act, 2013.

#### **Share capital and variation of rights**

**II.**

1. The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.  
(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.  
(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any



fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. 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.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

9. (i) The company shall have a first and paramount lien --  
(a) That the fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares  
(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.  
(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
Provided that no sale shall be made --  
(a) unless a sum in respect of which the lien exists is presently payable; or  
(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.  
(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.  
(iii) 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.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.  
(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **Calls on shares**

13. (i) Subject to approval of shareholders in General Meeting the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.  
(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.  
(iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.  
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.  
(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board –  
(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and  
(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.  
(c) that any amount paid-up in advance of calls on any share shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared.

### **Transfer of shares**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.  
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.  
(iii) That the company shall use a common form of transfer
20. The Board may, subject to the right of appeal conferred by section 58 decline to register --  
(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or  
(b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless --  
(a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  
Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of shares**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.  
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --  
(a) to be registered himself as holder of the share; or  
(b) to make such transfer of the share as the deceased or insolvent member could have made.  
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.  
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.  
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:  
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **Forfeiture of shares**

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall --  
(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and  
(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;  
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;  
(iii) The transferee shall thereupon be registered as the holder of the share; and  
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution, --  
(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;  
(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;  
(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;  
(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock, --  
(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.  
(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

#### **Capitalisation of profits**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause
- (iii), either in or towards --
  - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power –
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
  - (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
- (iii) That option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.  
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.  
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.  
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --  
(a) On a show of hands, every member present in person shall have one vote; and  
(b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.  
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:  
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

58. (i) There shall be at least three directors of the company. The maximum number of directors cannot exceed fifteen. The prescribed limit of fifteen directors may be increased by passing a special resolution.  
(ii) The first directors of the company shall be:  
1. Ayush Mahesh Varma  
2. Vedant Rakesh Agrawal
59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.  
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --  
(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or  
(b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. 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.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### **Proceedings of the Board**

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.  
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.  
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.  
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a Chairperson of its meetings.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.  
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. Subject to the provisions of the Act, --  
(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;



(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

76. (i) The Board shall provide for the safe custody of the seal.  
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.  
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.  
(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
81. 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.
82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. 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.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.
86. That any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in
87. There will be no forfeiture of unclaimed dividends before the claim becomes barred by law.

#### **Accounts**

88. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

89. Subject to the provisions of Chapter XX of the Act and rules made thereunder --
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Indemnity**

90. Every officer of the company shall be indemnified out of the assets of the company 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 in which relief is granted to him by the court or the Tribunal.

*\*New set of Articles of Association adopted pursuant to Special Resolution Passed in Extraordinary General Meeting held on March 27, 2024.*  
*Altered clause vide Special Resolution Passed in Extraordinary General Meeting held on June 20, 2024.*

## **SECTION X: OTHER INFORMATION**

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

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Red Herring Prospectus until the issue Closing Date.

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 reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **Material Contracts**

1. Issue Agreement dated July 29, 2024 entered between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated July 23, 2024 entered into amongst our Company and the Registrar to the Issue.
3. Banker to the issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the issue and the Registrar to the Issue.
4. Tripartite Agreement dated May 09, 2024 between our Company, NSDL and the Registrar to the Issue.
5. Tripartite Agreement dated May 23, 2024 between our Company, CDSL and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
7. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and the Underwriters.
8. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Registrar to the issue and Syndicate Members.

#### **Material Documents**

1. Certified copies of the updated Memorandum and Articles of Association of our Company, as amended.
2. Certificate of incorporation dated November 29, 2018, issued by the Registrar of Companies;
3. Fresh certificate of incorporation dated June 14, 2024 issued by Registrar of Companies at the time of conversion from a private company into a public company;
4. Resolutions of our Board of Directors dated July 16, 2024 in relation to the issue and other related matters;
5. Shareholders' resolution dated July 19, 2024, in relation to this Issue and other related matters;
6. Resolution of the Board of Directors of the Company dated August 01, 2024 taking on record and approving this Draft Red Herring Prospectus.
7. Copies of Audited Financial Statements of our Company for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022;
8. The Examination Report dated July 20, 2024 of Peer Reviewed Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
9. Copies of the Restated Financial Statement of our Company period ended March 31, 2024, 2023 and 2022 issued by Peer Review Auditor dated July 20, 2024;
10. Certificate on KPI's issued by Peer Review Auditor dated July 24, 2024;
11. Statement of Special Tax Benefits dated July 24, 2024 from the Peer Reviewed Auditors included in this Draft Red Herring Prospectus;
12. Consent of the Promoters, Directors, Senior Managerial Personnel, Statutory Auditor of the Company Book Running Lead Manager, the Legal Counsel to our Issue, the Registrar to the Issue, the Company Secretary and Compliance Officer and the Chief Financial Officer, Underwriters, Market Maker to act in their respective capacities;
13. Due diligence certificate dated August 01, 2024 issued by Book Running Lead Manager;
14. Approval from NSE vide letter dated [●] to use the name of NSE in the issue documents for listing of Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Ayush Mahesh Varma**

**Managing Director**

**Place: Mumbai**

**Date: August 01, 2024**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Maheshkumar Ramchandra Varma**

**Whole Time Director**

**Place: Mumbai**

**Date: August 01, 2024**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Anita Mahesh Varma**

**Non-Executive Non- Independent Director**

**Place: Mumbai**

**Date: August 01, 2024**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**  
**Ajinkya Rajendra Jain**  
**Independent Director**  
**Place: Mumbai**  
**Date: August 01, 2024**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**  
**Bhuvnesh Kumar**  
**Independent Director**  
**Place: Jalor, Rajasthan**  
**Date: August 01, 2024**



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**Sd/-**  
**Sagar Doshi**  
**Chief Financial Officer**  
**Place: Mumbai**  
**Date: August 01, 2024**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPLIANCE OFFICER & COMPANY SECRETARY OF OUR COMPANY**

**Sd/-**

**Pragya Lalwani**  
**Compliance Officer & Company Secretary**

**Place: Jodhpur**

**Date: August 01, 2024**