

**RED HERRING PROSPECTUS****Dated:** November 19, 2024*(Please read Section 26 and 32 of the Companies Act, 2013)*

100% Book Built Issue

*(Please scan this QR code to view the RHP)***AGARWAL TOUGHENED GLASS INDIA LIMITED****Corporate Identity Number:** U26109RJ2009PLC030153

REGISTERED OFFICE	TELEPHONE, EMAIL AND FACSIMILE	CORPORATE OFFICE	CONTACT PERSON	WEBSITE
F-2264, RIICO Industrial Area, Ramchandrapura, Sitapur (Ext.), Jaipur – 302 022, Rajasthan, India.	<b>Telephone:</b> +91 723 004 3212 <b>E-mail:</b> cs_complianceofficer@agarwaltuff.com <b>Facsimile:</b> N.A.	N.A.	Neha Jadoun, Company Secretary and Compliance Officer	www.agarwaltuff.com

**PROMOTERS OF OUR COMPANY: ANITA AGARWAL, MAHESH KUMAR AGARWAL, UMA SHANKAR AGARWAL AND SHARDA AGARWAL****DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 57,99,600^^ Equity Shares aggregating Up to ₹ [●] lakhs	-	Upto 57,99,600^^ Equity Shares aggregating Up to ₹ [●] lakhs	This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES****RISK IN RELATION TO THE FIRST ISSUE**

This being the first public Issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 95 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page 28 of this Red Herring Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated October 30, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

**BOOK RUNNING LEAD MANAGER**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <b>CUMULATIVE CAPITAL PRIVATE LIMITED</b>	Swapnilsagar Vithalani / Parin Dhanesha	<b>Telephone:</b> +91 981 966 2664 / 701 625 1158 <b>Email ID:</b> <a href="mailto:contact@cumulativecapital.group">contact@cumulativecapital.group</a>

REGISTRAR TO THE ISSUE		
NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <b>KFIN TECHNOLOGIES LIMITED</b>	Mr. M Murali Krishna	<b>Telephone:</b> +91 40 6716 2222/180 0309 4001 <b>E-mail:</b> <a href="mailto:atgil.ipo@kfintech.com">atgil.ipo@kfintech.com</a>

BID/ ISSUE PERIOD		
<b>ANCHOR PORTION ISSUE OPENS/CLOSES ON: WEDNESDAY, NOVEMBER 27, 2024*</b>	<b>BID/ISSUE OPENS ON: THURSDAY, NOVEMBER 28, 2024</b>	<b>BID/ISSUE CLOSES ON: MONDAY, DECEMBER 2, 2024**^</b>

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

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

*^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.*

*^^Subject to finalisation of Basis of Allotment.*



## AGARWAL TOUGHENED GLASS INDIA LIMITED

Our Company was incorporated on October 30, 2009 as 'Agarwal Toughened Glass India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 30, 2009 issued by the Registrar of Companies, Rajasthan. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on January 2, 2023, and by the Shareholders in an Extraordinary General Meeting held on January 30, 2023 and consequently the name of our Company was changed to 'Agarwal Toughened Glass India Limited' and a fresh certificate of incorporation dated March 6, 2023 was issued by the Registrar of Companies, Rajasthan at Jaipur. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "History and Certain Corporate Matters" beginning on page 57 and 149 respectively of this Red Herring Prospectus

**Registered Office:** F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur 302 022, Rajasthan, India;

**Telephone:** +91 723 004 3212; **E-mail:** info@agarwaltuff.com; **Facsimile:** N.A.; **Website:** www.agarwaltuff.com; **Contact Person:** Neha Jadoun, Company Secretary and Compliance Officer; **Corporate Identity Number:** U26109RJ2009PLC030153

PROMOTERS OF OUR COMPANY: ANITA AGARWAL, MAHESH KUMAR AGARWAL, UMA SHANKAR AGARWAL AND SHARDA AGARWAL

### DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 57,99,600<sup>^</sup> EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF OUR COMPANY AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS ("PUBLIC ISSUE") OUT OF WHICH 2,97,600<sup>^</sup> EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS 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 55,02,000<sup>^</sup> EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 32.81 % AND 31.13 % 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 ENGLISH EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), HINDI EDITION OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER AND HINDI EDITION OF NAFA NUKSAN (A HINDI REGIONAL LANGUAGE NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF RAJASTHAN WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

<sup>^</sup>Subject to finalisation of basis of allotment.

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 may, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock 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.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 (2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, may 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, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 217 of this Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is ₹ 10/-. The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor regarding the price at which the equity shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page 28 of this Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated October 30, 2024 from NSE for using its name in this offer document for listing our shares on NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

### BOOK RUNNING LEAD MANAGER



**Cumulative Capital Private Limited**  
321, 3<sup>rd</sup> Floor, C Wing,  
215 Atrium Co Op. Premises,  
Andheri Kurla Road, Hanuman Nagar,  
Andheri (E) Mumbai - 400 093,  
Maharashtra, India.  
**Telephone:** +91 981 966 2664 / 701 625 1158  
**Facsimile:** N.A.  
**E-mail:** contact@cumulativecapital.group  
**Website:** www.cumulativecapital.group  
**Investor grievance:** investor@cumulativecapital.group  
**Contact Person:** Swapnilsagar Vithalani / Parin Dhanesha  
**SEBI Registration Number:** INM000013129

### REGISTRAR TO THE ISSUE



**KFin Technologies Limited**  
Selenium Tower B, Plot No. 31 & 32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032,  
Telangana, India.  
**Telephone:** +91 40 6716 2222/180 0309 4001  
**Facsimile:** +91-40-6716 1563  
**E-mail:** atgil.ipo@kfintech.com  
**Website:** www.kfintech.com  
**Investor grievance:** einward.ris@kfintech.com  
**SEBI Registration No.:** INR000000221  
**Contact Person:** Mr. M Murali Krishna  
**CIN:** L72400TG2017PLC117649

### ISSUE PROGRAMME

ANCHOR PORTION	ISSUE OPENS/CLOSES ON:	BID/ISSUE OPENS ON:	BID/ISSUE CLOSES ON**A:
	WEDNESDAY, NOVEMBER 27, 2024	THURSDAY, NOVEMBER 28, 2024	MONDAY, DECEMBER 2, 2024

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

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

<sup>^</sup>UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF  
CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018)***

## TABLE OF CONTENTS

<b>SECTION I – GENERAL</b> .....	<b>6</b>
DEFINITIONS AND ABBREVIATIONS .....	6
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION.....	19
FORWARD - LOOKING STATEMENTS .....	21
<b>SECTION II – ISSUE DOCUMENT SUMMARY</b> .....	<b>22</b>
<b>SECTION III – RISK FACTORS</b> .....	<b>28</b>
<b>SECTION IV - INTRODUCTION</b> .....	<b>53</b>
THE ISSUE.....	53
SUMMARY OF FINANCIAL INFORMATION.....	54
GENERAL INFORMATION .....	57
CAPITAL STRUCTURE .....	69
OBJECTS OF THE ISSUE.....	82
BASIS FOR ISSUE PRICE.....	93
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS.....	103
<b>SECTION V – ABOUT THE COMPANY</b> .....	<b>106</b>
INDUSTRY OVERVIEW .....	106
OUR BUSINESS .....	113
KEY INDUSTRIAL REGULATIONS AND POLICIES .....	142
HISTORY AND CERTAIN CORPORATE MATTERS .....	149
OUR MANAGEMENT .....	153
OUR PROMOTER AND PROMOTER GROUP.....	164
OUR GROUP COMPANIES .....	169
DIVIDEND POLICY.....	171
<b>SECTION VI – FINANCIAL INFORMATION</b> .....	<b>172</b>
RESTATED FINANCIAL INFORMATION .....	172
OTHER FINANCIAL INFORMATION .....	173
FINANCIAL INDEBTEDNESS .....	174
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS .....	178
CAPITALISATION STATEMENT .....	188
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b> .....	<b>189</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS.....	189
GOVERNMENT AND OTHER STATUTORY APPROVALS .....	194
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	197
<b>SECTION VIII – ISSUE INFORMATION</b> .....	<b>206</b>
TERMS OF THE ISSUE .....	206
ISSUE STRUCTURE .....	213
ISSUE PROCEDURE.....	217
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	246
<b>SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION</b> .....	<b>248</b>
<b>SECTION X - OTHER INFORMATION</b> .....	<b>305</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	305
DECLARATION .....	306

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

#### GENERAL AND COMPANY RELATED TERMS

<b>Term</b>	<b>Description</b>
<b>“Company”, “our Company”, “the Company”, “the Issuer”, or “ATGIL”</b>	Agarwal Toughened Glass India Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302 022, Rajasthan, India.
<b>Our Promoters</b>	Promoters of our Company, namely Anita Agarwal, Mahesh Kumar Agarwal, Uma Shankar Agarwal and Sharda Agarwal. For further details, please see the section entitled “Our Promoters and Promoter Group” on page 164 of this Red Herring Prospectus.
<b>Promoter Group</b>	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter Group”.
<b>we/us/our</b>	Unless the context otherwise indicates or implies, refers to our Company;
<b>You/your/yours</b>	Prospective investors in this Issue;

#### COMPANY RELATED TERMS

<b>Term</b>	<b>Description</b>
<b>Articles / Articles of Association/AOA</b>	Articles of Association of our Company.
<b>Audit Committee</b>	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 153 of this Red Herring Prospectus.
<b>Auditor / Statutory Auditor/ Peer Review Auditor</b>	Statutory and peer review auditor of our Company, namely, <b>Jethani and Associates.</b> , Chartered Accountants
<b>Banker(s) to the Company</b>	Banker(s) to our Company, namely <b>HDFC Bank Limited.</b>
<b>Board of Directors / Board/BOD</b>	The Board of Directors of the Company unless otherwise specified.
<b>Companies Act</b>	The Companies Act, 1956/2013 as amended from time to time.
<b>CIN</b>	Corporate Identity Number
<b>Chief Financial Officer (CFO)</b>	The Chief Financial officer of our Company, being <b>Mangal Ram Prajapati</b>
<b>Company Secretary and Compliance Officer (CS)</b>	The Company Secretary and Compliance Officer of our Company, being <b>Neha Jadoun</b>
<b>Depositories Act</b>	The Depositories Act, 1996, as amended from time to time
<b>DIN</b>	Director Identification Number
<b>Equity Shares</b>	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
<b>Equity Shareholders</b>	Persons/ Entities holding Equity Shares of Our Company
<b>ED</b>	Executive Director
<b>Group Companies</b>	Companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the “Financial Information” as covered under the applicable accounting standards on page 172 of this Red Herring Prospectus, and as disclosed in the section titled “Our Group Companies” beginning on page 169 of this Red Herring Prospectus;
<b>Independent Director</b>	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Nitin Hotchandani, Shalini Sharma and Ravi Torani are the Independent Directors of our

Term	Description
	Company
<b>Indian GAAP</b>	Generally Accepted Accounting Principles in India
<b>ISIN</b>	International Securities Identification Number. In this case being INE0P8X01016
<b>Key Managerial Personnel / Key Managerial Employees</b>	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013, as described in the section “ <i>Our Management</i> ” beginning on page 153 of this Red Herring Prospectus;
<b>Materiality Policy</b>	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on November 20, 2023 in accordance with the requirements of the SEBI ICDR Regulations.
<b>MD</b>	The Managing Director of our Company, namely Anita Agarwal
<b>MOA/ Memorandum / Memorandum of Association</b>	Memorandum of Association of our Company as amended from time to time
<b>Non-Residents</b>	A person resident outside India, as defined under FEMA
<b>Nomination and Remuneration Committee</b>	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 153 of this Red Herring Prospectus.
<b>Non-Executive Director</b>	A Director not being an Executive Director or an Independent Director. Uma Shankar Agarwal is the Non-Executive Director of our Company
<b>NRIs / Non-Resident Indians</b>	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
<b>Registered Office</b>	The registered office of our Company situated at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302 022, Rajasthan, India
<b>Restated Financial Information/ Restated Financial Statements</b>	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the six months period ended September 30, 2024, and financial year ended 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 32 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.
<b>ROC / Registrar of Companies</b>	Registrar of Companies, Jaipur, having its office at C/6 - 7, 1 <sup>st</sup> Floor, Residency Area, Civil Lines, Jaipur – 302 001, Rajasthan, India
<b>Senior Management</b>	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 153 of this Red Herring Prospectus.
<b>Shareholders</b>	Shareholders of our Company, from time to time.
<b>Stakeholders Relationship Committee</b>	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 153 of this Red Herring Prospectus.

#### ISSUE RELATED TERMS

Terms	Description
<b>Abridged Prospectus</b>	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
<b>Acknowledgement Slip</b>	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
<b>Allotment</b>	Issue of the Equity Shares pursuant to the Issue to the successful applicants
<b>Allotment Advice</b>	Note or advice or intimation of Allotment which will be sent to the Bidders who will be allotted Equity Shares after the Basis of Allotment has been approved by the Designated StockExchanges
<b>Allotment/Allot/Allotted</b>	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
<b>Allottee (s)</b>	The successful applicants to whom the Equity Shares are being / have been issued
<b>Anchor Investor</b>	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
<b>Anchor Investor Allocation Price</b>	₹ [●]/- per equity share i.e. the price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which

Terms	Description
	will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
<b>Anchor Investor Application Form</b>	The application form which will be used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
<b>Anchor Investor Bid/ Issue Period</b>	Wednesday, November 27, 2024, being one working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors will be submitted and allocation to the Anchor Investors will be completed.
<b>Anchor Investor Issue Price</b>	₹ [●]/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus.
<b>Anchor Investor Portion</b>	Up to 60% of the QIB Portion consisting of 16,50,000 Equity Shares which will be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations.
<b>Application Supported by Blocked Amount / ASBA</b>	An application, whether physical or electronic, which will be used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
<b>Application Form</b>	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
<b>ASBA Account</b>	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
<b>ASBA Bid</b>	A Bid made by ASBA Bidder
<b>Bankers to the Issue</b>	Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being <b>Axis Bank Limited</b>
<b>Basis of Allotment</b>	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page 217 of this Red Herring Prospectus.
<b>Bid</b>	An indication to make an Issue during the Bid/Issue 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 this Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
<b>Bid Amount</b>	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
<b>Bid cum Application Form</b>	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 Red Herring Prospectus.
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
<b>Bid/ Issue Period</b>	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>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 / Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
<b>Bid/Issue Closing Date</b>	Except in relation to Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being M, which shall be published in English editions of Financial Express (a widely circulated English national daily newspaper), Hindi editions of Jansatta (a widely circulated Hindi national daily newspaper) and Nafa Nuksan, a Hindi language newspaper (a Hindi language newspaper, Hindi being



<b>Terms</b>	<b>Description</b>
	the regional language of Rajasthan, where our Registered Office is located). Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations
<b>Bid/Issue Opening Date</b>	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being Thursday, November 28, 2024, which shall be published in English editions of Financial Express (a widely circulated English national daily newspaper), and Jansatta editions of Financial Express (a widely circulated Hindi nationaldaily newspaper) and Nafa Nuksan, a Hindi language newspaper (Hindi being the regional language of Rajasthan, where our Registered Office is located).
<b>Bidder/ Investor</b>	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
<b>Bidding Centers</b>	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
<b>Book Building Process</b>	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.
<b>BRLM / Book Running Lead Manager</b>	Book Running Lead Manager to the Issue, in this case being <b>Cumulative Capital Private Limited</b> , SEBI Registered Category I Merchant Banker.
<b>Broker Centers</b>	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
<b>Business Day</b>	Monday to Friday (except public holidays)
<b>CAN, Confirmation of Allocation Note</b>	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
<b>Cap Price</b>	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.
<b>Cut-Off Price</b>	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
<b>Cash Escrow and Sponsor Bank Agreement</b>	Agreement to be entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof;
<b>Client Id</b>	Client Identification Number maintained with one of the Depositories in relation to demat account.
<b>Collecting Depository Participants or CDPs</b>	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
<b>Controlling Branches of the SCSBs</b>	Such branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
<b>Demographic Details</b>	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
<b>Depository</b>	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.

<b>Terms</b>	<b>Description</b>
<b>Depositories Act</b>	The Depositories Act, 1996, as amended from time to time
<b>Depository Participant (DP)</b>	A Depository Participant as defined under the Depositories Act, 1996
<b>Designated Intermediaries/ Collecting Agent</b>	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
<b>Designated CDP Locations</b>	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
<b>Designated Date</b>	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
<b>Designated RTA Locations</b>	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
<b>Designated SCSB Branches</b>	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
<b>Designated Stock Exchange</b>	Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)
<b>DP ID</b>	Depository Participant’s Identity Number
<b>Draft Red Herring Prospectus</b>	Draft Red Herring Prospectus dated July 26, 2024, filed with NSE Emerge in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
<b>Electronic Transfer of Funds</b>	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
<b>Eligible NRI</b>	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
<b>Eligible QFIs</b>	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
<b>Escrow Account</b>	The account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
<b>First/ Sole bidder</b>	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
<b>Floor Price</b>	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.
<b>Foreign Venture Capital Investors</b>	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
<b>FPI / Foreign Portfolio Investor</b>	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>Fraudulent Borrower</b>	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
<b>Fresh Issue / Issue</b>	The Fresh Issue of Upto 57,99,600 <sup>^</sup> Equity Shares aggregating up to ₹ [●] Lakhs. <sup>^</sup> <i>Subject to finalization of basis of allotment</i>
<b>Fugitive Economic Offender</b>	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
<b>General Information Document (GID)</b>	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, Notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and

Terms	Description
	(SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
<b>GIR Number</b>	General Index Registry Number
<b>IPO/ Issue/ Issue Size/ Public Issue</b>	Initial Public Offer
<b>Issue Agreement</b>	Agreement dated July 10, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
<b>Issue Closing</b>	Our Issue shall close on Monday, December 02, 2024 .
<b>Issue document</b>	Includes the Draft Red Herring Prospectus, this Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
<b>Issue Opening</b>	Our Issue shall open on Thursday, November 28, 2024.
<b>Issue Period</b>	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
<b>Issue Price</b>	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
<b>Issue Proceeds</b>	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 82 of this Red Herring Prospectus.
<b>Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/IPO</b>	The initial public offer of up to 57,99,600 <sup>^</sup> Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs. <i>^Subject to finalization of basis of allotment</i>
<b>Listing Agreement</b>	The Equity Listing Agreement to be signed between our Company and the NSE.
<b>Market Maker</b>	The Market Maker to the Issue, in this case being Nikunj Stock Brokers Limited.
<b>Market Maker Reservation Portion</b>	The reserved portion of 2,97,600 <sup>^</sup> Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue. <i>^Subject to finalization of basis of allotment</i>
<b>Minimum Promoters’ Contribution</b>	Aggregate of 20.00% (Twenty percent) of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20.00% (Twenty percent) and locked-in for a period of 3 (Three) years from the date of Allotment;
<b>Market Making Agreement</b>	The Market Making Agreement dated November 15, 2024 between our Company, Book Running Lead Manager and Market Maker.
<b>Mutual Funds</b>	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
<b>Mutual Fund Portion</b>	5% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
<b>Net Issue</b>	The Issue excluding the Market Maker Reservation Portion of 55,02,000 <sup>^</sup> Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company. <i>^Subject to finalization of basis of allotment</i>
<b>Net QIB Portion</b>	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
<b>Net Proceeds</b>	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue.
<b>Non-Institutional Applicant / Investors</b>	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
<b>Non-Institutional Portion</b>	The portion of the Issue being not less than 15% of the Net Issue consisting of 8,25,600 <sup>^</sup> 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 <i>^Subject to finalization of basis of allotment</i>
<b>Non-Resident</b>	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
<b>Non-Resident Indian / NRI</b>	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended;
<b>NPCI</b>	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all

<b>Terms</b>	<b>Description</b>
	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).
<b>NSE Emerge</b>	The EMERGE Platform of National Stock Exchange of India Limited for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time;
<b>OCB / Overseas Corporate Body</b>	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% (Sixty Percent) by NRIs including overseas trusts, in which not less than 60.00% (Sixty Percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA;
<b>Other Investor</b>	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for;
<b>Person/Persons</b>	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.
<b>Price Band</b>	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 English editions of Financial Express (a widely circulated English national daily newspaper), Hindi editions of Jansatta, a Hindi national newspaper and Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated), at least two working days prior to the Bid / Issue Opening Date.
<b>Pricing Date</b>	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
<b>Payment through electronic means</b>	Payment through NECS, NEFT, or Direct Credit, as applicable;
<b>Prospectus</b>	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
<b>Public Issue Account Agreement</b>	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
<b>Public Issue Account</b>	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
<b>Public Issue Account Bank</b>	The bank with whom the Public Issue Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited
<b>Qualified Institutional Buyers /QIBs</b>	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
<b>Qualified Foreign Investors' / QFIs</b>	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI;
<b>QIB Category/ QIB Portion</b>	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 27,50,400 <sup>^</sup> Equity Shares which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price. <i><sup>^</sup>Subject to finalization of basis of allotment</i>
<b>Red Herring Prospectus / RHP</b>	This Red Herring Prospectus dated November 19, 2024 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
<b>Refund Bank(s) / Refund Banker(s)</b>	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts has been opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
<b>Refund Account</b>	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from

<b>Terms</b>	<b>Description</b>
	which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
<b>Registered Broker</b>	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either NSE or National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.nseindia.com/">https://www.nseindia.com/</a>
<b>Registrar / Registrar to the Issue/ RTA</b>	Registrar to the Issue being KFin Technologies Limited.
<b>Registrar Agreement</b>	The registrar agreement dated July 10, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
<b>Regulations</b>	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
<b>Reservation Portion</b>	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations;
<b>Retail Individual Investors /(RII)</b>	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹. 2,00,000.
<b>Retail Portions</b>	Portion of the Issue being not less than 35% of the Net Issue consisting of 19,26,000 <sup>^</sup> 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 <sup>^</sup> Subject to finalization of basis of allotment
<b>Revision Form</b>	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
<b>SCRA</b>	The Securities Contracts (Regulation) Act, 1956 as amended from time to time;
<b>SEBI</b>	The Securities and Exchange Board of India;
<b>SEBI Act</b>	the Securities and Exchange Board of India Act, 1992, as amended from time to time;
<b>SEBI (SAST) Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>SEBI (ICDR) Regulations or SEBI ICDR Regulations or ICDR Regulations</b>	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>SEBI Insider Trading Regulations</b>	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>SEBI (LODR) Regulations</b>	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time;
<b>SEBI (PFUTP) Regulations</b>	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>SCSB</b>	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <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>
<b>SEBI (Foreign Portfolio Investor) Regulations</b>	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014;
<b>SME Platform of NSE</b>	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
<b>Sponsor Bank</b>	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars, being Axis Bank Limited.
<b>Sub Syndicate Member</b>	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.

<b>Terms</b>	<b>Description</b>
<b>Specified securities</b>	The Equity Shares Issued through this Red Herring Prospectus/ Prospectus;
<b>Syndicate Agreement</b>	The agreement dated November 15, 2024 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
<b>Syndicate Member(s)</b>	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely Nikunj Stock Brokers Limited.
<b>Systemically Important Non-Banking Financial Company or NBFC-SI</b>	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations;
<b>Transaction Registration Slip/ TRS</b>	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.
<b>Underwriter</b>	Underwriters to the Issue, is Cumulative Capital Private Limited
<b>Underwriting Agreement</b>	The Agreement dated November 15, 2024 entered between the Underwriter and our Company
<b>UPI</b>	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
<b>UPI Circular</b>	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 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/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
<b>UPI Bidders</b>	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, NIBs Bidding with an application size of more than ₹ 200,000 and up to ₹500,000 in the Non- Institutional Portion and Bidding under the UPI Mechanism.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
<b>UPI ID</b>	ID created on UPI for single-window mobile payment system developed by the NPCI.
<b>UPI Mandate Request</b>	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
<b>UPI Mechanism</b>	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
<b>UPI PIN</b>	Password to authenticate UPI transactions.
<b>U.S. Securities Act</b>	U.S. Securities Act of 1933, as amended
<b>Wilful Defaulter and Fraudulent Borrower</b>	A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations.
<b>Working Days</b>	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means all trading days of NSE, excluding Sundays and

Terms	Description
	bank holidays, as per circulars issued by SEBI
<b>Venture Capital Fund</b>	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India(Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India;

#### **CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS**

Term	Description
<b>“₹” or “₨” or “Rupees” or “INR”</b>	Indian Rupee
<b>“Consolidated FDI Policy” or “FDI Policy”</b>	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
<b>“Financial Year” or “Fiscal Year” or “FY”</b>	Period of 12 months ending March 31 of that particular year
<b>“OCBs” or “Overseas Corporate Body”</b>	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
<b>A/c</b>	Account
<b>AGM</b>	Annual General Meeting
<b>AIF</b>	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
<b>AS</b>	Accounting Standards issued by the Institute of Chartered Accountants of India
<b>ASBA</b>	Applications Supported by Blocked Amount
<b>AY</b>	Assessment Year
<b>AOA</b>	Articles of Association
<b>Approx</b>	Approximately
<b>CAGR</b>	Compounded Annual Growth Rate
<b>CAPEX</b>	Capital Expenditure;
<b>CAN</b>	Confirmation Allocation Note
<b>Category I AIF</b>	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
<b>Category I FPIs</b>	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
<b>Category II AIF</b>	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
<b>Category II FPIs</b>	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
<b>Category III AIF</b>	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
<b>CBDT</b>	Central Board of Direct Taxes, Government of India
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Central Government</b>	Central Government of India
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CIN</b>	Corporate Identity Number
<b>CIT</b>	Commissioner of Income Tax
<b>CLRA</b>	Contract Labour (Regulation and Abolition) Act, 1970
<b>Client-ID</b>	Client identification number of the Applicant’s beneficiary account;
<b>Companies Act 1956</b>	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
<b>Companies Act, 2013 / Companies Act</b>	Companies Act, 2013 along with rules made thereunder
<b>CPI</b>	Consumer Price Index
<b>CS</b>	Company Secretary
<b>CST</b>	Central Sales Tax
<b>CSR</b>	Corporate Social Responsibility
<b>Depositories Act</b>	The Depositories Act, 1996
<b>Depository(ies)</b>	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
<b>DIN</b>	Director Identification Number
<b>DP ID</b>	Depository Participant’s Identification Number

<b>Term</b>	<b>Description</b>
<b>EBITDA</b>	Earnings before Interest, Tax, Depreciation and Amortisation
<b>ECB</b>	External Commercial Borrowings
<b>ECB Master Directions</b>	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
<b>ECS</b>	Electronic Clearing System
<b>EGM</b>	Extraordinary General Meeting
<b>EPF Act</b>	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
<b>EPS</b>	Earnings per share
<b>ESI Act</b>	Employees’ State Insurance Act, 1948
<b>FCNR Account</b>	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
<b>FDI</b>	Foreign Direct Investment
<b>FEMA</b>	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
<b>FEMA Regulations</b>	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
<b>FEMA Rules</b>	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
<b>Financial Year/Fiscal</b>	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
<b>FIR</b>	First information report
<b>FPIs</b>	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
<b>Fugitive Economic Offender</b>	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
<b>FVCI</b>	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
<b>GDP</b>	Gross Domestic Product
<b>GoI / Government</b>	The Government of India
<b>GST</b>	Goods and Services Tax
<b>GVA</b>	Gross Value Added
<b>HNIs’</b>	High Net worth Individuals
<b>HUF(s)</b>	Hindu Undivided Family(ies)
<b>ICAI</b>	Institute of Chartered Accountants of India
<b>ICSI</b>	The Institute of Company Secretaries of India
<b>IFRS</b>	International Financial Reporting Standards
<b>IMF</b>	International Monetary Fund;
<b>IFSC</b>	Indian Financial System Code
<b>Income Tax Act / IT Act</b>	Income Tax Act, 1961
<b>Ind AS</b>	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
<b>Indian GAAP</b>	Generally Accepted Accounting Principles in India
<b>Insider Trading Regulations</b>	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
<b>IPR</b>	Intellectual Property Rights
<b>Insolvency Code</b>	Insolvency and Bankruptcy Code, 2016, as amended from time to time
<b>ISIN</b>	International Securities Identification Number
<b>ISO</b>	International Organization for Standardization
<b>IT</b>	Information Technology
<b>MCA</b>	The Ministry of Corporate Affairs, GoI
<b>Merchant Banker</b>	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
<b>Mn / mn</b>	Million
<b>MOF</b>	Ministry of Finance, Government of India
<b>MOU</b>	Memorandum of Understanding
<b>MSME</b>	Micro, Small, and Medium Enterprises
<b>Mutual Funds</b>	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
<b>N.A. or NA</b>	Not Applicable
<b>NACH</b>	National Automated Clearing House
<b>NAV</b>	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares



<b>Term</b>	<b>Description</b>
<b>Net Worth</b>	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
<b>NR</b>	Non-resident or person(s) resident outside India, as defined under the FE
<b>NRE</b>	Non- residential external
<b>NRE Account</b>	Non- residential external account
<b>NRI</b>	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
<b>NRO</b>	Non- resident ordinary
<b>NRO Account</b>	Non-resident ordinary account
<b>NSE</b>	National Stock Exchange of India Limited
<b>NSDL</b>	National Securities Depository Limited
<b>NTA</b>	Net Tangible Assets
<b>OCI</b>	Overseas Citizen of India
<b>ODI</b>	Off-shore Derivate Instruments
<b>p.a.</b>	Per annum
<b>P/E Ratio</b>	Price/Earnings Ratio
<b>PAN</b>	Permanent Account Number
<b>PAT</b>	Profit After Tax
<b>PBT</b>	Profit Before Tax
<b>PIO</b>	Person of Indian Origin
<b>PLR</b>	Prime Lending Rate
<b>R&amp;D</b>	Research and Development
<b>RBI</b>	The Reserve Bank of India
<b>RBI Act</b>	Reserve Bank of India Act, 1934
<b>RoNW</b>	Return on Net Worth
<b>RTGS</b>	Real Time Gross Settlement
<b>SARFAESI Act</b>	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
<b>SAT</b>	Securities Appellate Tribunal
<b>SCRA</b>	Securities Contract (Regulation) Act, 1956
<b>SCRR</b>	The Securities Contracts (Regulation) Rules, 1957
<b>SEBI</b>	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
<b>SEBI Act</b>	The Securities and Exchange Board of India Act, 1992, as amended
<b>SEBI AIF Regulations</b>	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
<b>SEBI BTI Regulations</b>	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
<b>SEBI FPI Regulations</b>	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
<b>SEBI FVCI Regulations</b>	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
<b>SEBI ICDR Regulations</b>	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
<b>SEBI Listing Regulations</b>	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
<b>SEBI Takeover Regulations</b>	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
<b>SEBI VCF Regulations</b>	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
<b>SICA</b>	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
<b>SME</b>	Small and Medium Enterprises
<b>Stamp Act</b>	The Indian Stamp Act, 1899, as amended from time to time
<b>State Government</b>	The Government of a state in India
<b>State Government</b>	The Government of a State of India
<b>Stock Exchange</b>	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
<b>TDS</b>	Tax Deducted at Source
<b>Trademarks Act</b>	Trademarks Act, 1999, as amended
<b>U.S. GAAP</b>	Generally Accepted Accounting Principles in the United States of America

<b>Term</b>	<b>Description</b>
<b>US\$/ USD/ US Dollar</b>	United States Dollar, the official currency of the United States of America
<b>USA/ U.S./ US</b>	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>VAT</b>	Value Added Tax
<b>VCFs</b>	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
<b>w.e.f.</b>	With effect from
<b>Year/Calendar Year</b>	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

## **INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
BE	Budget Estimates
BEE	Bureau of Energy Efficiency
BIS	Bureau of Indian Standards
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CPI-C	Consumer Price Index-Combined
COVID-19	Coronavirus Disease of 2019
ECBC	Energy Conservation Building Code
EVA	Ethylene-Vinyl Acetate
FRE	First Revised Estimates
GDP	Gross Domestic Product
HFI	High-Frequency Indicators
IGU	Insulating Glass Unit
IMF	International Monetary Funds
NBC	National Building Code
OEMs	Original Equipment Manufactures
OPEC+	The Organization of the Petroleum Exporting Countries
QCO	Quality Control Order
TPD	Tonnes Per Day
UK	United Kingdoms
USD/ US\$	US Dollar
UVs	Utility Vehicles
WEO	World Economic Outlook

<b>Term</b>	<b>Description</b>
Revenue From operations	Income generated from the company's core business activities.
Total revenue	The sum of revenue from operations and other income generated by the company
PAT Margin (%)	The percentage of profit after tax relative to total revenue
Return on Equity (ROE)	The percentage of net income returned as a proportion of shareholders' equity.
Debt To Equity Ratio	The ratio of a company's total debt to its shareholders' equity
Interest Coverage Ratio	The ratio of a company's earnings before interest and taxes to its interest expenses.
Return on Capital Employed	The percentage of net operating profit relative to the capital employed
Current Ratio	The ratio of a company's current assets to its current liabilities.
Net Capital Turnover Ratio	The ratio of a company's net sales to its working capital.
Revenue From operations	Income generated from the company's core business activities.
Total revenue	The sum of revenue from operations and other income generated by the company

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 248, 103, 106, 142, 172, 189 and 217, respectively of this 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 PRESENTATION**

### **Certain Conventions**

All references to “India” contained in this 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 Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “ATGL” and “ATGIL”, unless the context otherwise indicates or implies, refers to Agarwal Toughened Glass India Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page 172 of this Red Herring Prospectus.

Our Company’s financial year commences on April 1 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 Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the six months period ended September 30, 2024, and the financial year ended 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 32 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.

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 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 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 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 Position and Results of Operations*” on Pages 28, 113 and 178 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with IGAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this 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 28, 106 and 113 respectively, this Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “₹” 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 this Red Herring Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

### **Exchange rates**

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

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

Currency	Exchange rate as on (in ₹)			
	September 30, 2024	March 31, 2024 <sup>^</sup>	March 31, 2023	March 31, 2022
1 USD	83.78	83.38	82.22	75.91

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

<sup>^</sup>The reference rate has been taken as at March 28, 2024 as March 31, 2024 was a Sunday.

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “Basis for Issue Price” on Page 95 of this 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 28 of this Red Herring Prospectus.

## **FORWARD - LOOKING STATEMENTS**

This 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:

- We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.
- We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- If we are unable to attract new clients or retain our existing clients or default in payments, the growth of our business and cash flows will be adversely affected.
- We are dependent upon few suppliers for the material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.
- The commercial success of our products depends to a large extent on the success of the products of our end use customers. If the demand for the end use products in which our products are used as a raw materials declines, it could have a material adverse effect on our business, financial condition and results of operations.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Pages 28, 113 and 178, respectively, of this 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 reflect current views as on the date of this 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 Promoters, 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 Promoters 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 - ISSUE DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Pages 28, 106, 189, 164, 172, 82, 113, 217 and 248, respectively of this Red Herring Prospectus.

### **1. Summary of Industry in which the Company is operating**

Due to the COVID-19 pandemic, the global Float Glass market size is estimated to be worth US\$ 24180 million in 2022 and is forecast to a readjusted size of US\$ 32780 million by 2028 with a CAGR of 5.2% during the review period. Fully considering the economic change by this health crisis. Float glass is produced in wide-ranging dimensions, and is available in sizes of 4 mm to 25 mm thickness. Apart from aesthetic utility, it serves functional utility such as privacy, energy conservation, safety, protection against fire, and noise insulation. Float glass is largely being used as a material in building and construction industry. It directly or indirectly competes with other building materials such as paints, plywood and laminates and ceramic tiles. Float glass is expected to be amongst the fastest growing building materials in India.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page 106 of this Red Herring Prospectus.

### **2. Summary of Business**

We are a company that produces toughened glass by processing several types of glass. We provide a range of thickness and size options for our hardened value-added glasses. Processing the float glass yields the toughened value addition glasses. Following the manufacturing of toughened glass, various types of glasses are produced, including laminated, frosted, tinted, reflecting, clear, and double-glazed toughened glass. Toughened glass is used in many demanding applications because of its strength and safety, such as shower doors, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks, and a variety of plates and cookware. It is also used in architectural glass doors and tables. Toughened glass is also frequently utilized as dividers in buildings housing residential and commercial apartments, hospitals, airports, shopping centers, stairwells, balustrades, and other architectural elements.

For further details, please refer to chapter titled “*Our Business*” beginning on Page 113 of this Red Herring Prospectus.

### **3. Promoter**

The Promoters of our Company are Anita Agarwal, Mahesh Kumar Agarwal, Uma Shankar Agarwal and Sharda Agarwal. For further details, please refer to the chapter titled “*Our Promoters and Promoter Group*” beginning on Page 164 of this Red Herring Prospectus.

### **4. Details of the Issue**

Our Company is proposing the public issue of upto 57,99,600<sup>^</sup> equity shares of face value of ₹ 10/- each of Agarwal Toughened Glass India Limited (“**ATGIL**” or the “**Company**” or the “**Issuer**”, and such equity shares the “**Equity Share**”), for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “**Issue Price**”) aggregating up to ₹ [●] lakhs (the “**Issue**”), of which 2,97,600<sup>^</sup> Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of 55,02,000<sup>^</sup> Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute 32.81 % and 31.13 %, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

<sup>^</sup>Subject to finalization of basis of allotment

The price band will be decided by our company in consultation with the book running lead manager (“**BRLM**”) and will be advertised in English editions of Financial Express (a widely circulated English national daily newspaper), and Hindi editions of Jansatta, a Hindi national newspaper and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“**NSE Emerge**”, referred to as the “**Stock Exchange**”) for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 206 of this Red Herring Prospectus.

### **5. Offer for Sale**

There is no offer for sale, as our Company is making only a Fresh Issue.

## 6. Objects of the Issue

The details of the proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
<b>Net Proceeds of the Issue</b>	[●]

## 7. Utilization of Net Issue Proceeds

(₹ in lacs)

Sr. No.	Particulars	Estimated amount <sup>(1)</sup>
1.	Purchase of machinery at our existing manufacturing unit	966.81
2.	Repayment of certain Borrowings	600.00
3.	To meet incremental working capital requirements	2,500.00
4.	General corporate purposes <sup>(2)</sup>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “Objects of the Issue” beginning on page 82 of this Red Herring Prospectus.

## 8. Aggregate Pre Issue Shareholding of Promoters and Promoters Group

Following are the details of the pre-Issue shareholding of Promoters & Promoters Group:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital*
<b>Promoters</b>					
1.	Anita Agarwal	17,12,500	14.42	17,12,500	9.69
2.	Mahesh Kumar Agarwal	33,83,250	28.49	33,83,250	19.14
3.	Uma Shankar Agarwal	4,42,750	3.73	4,42,750	2.51
4.	Sharda Agarwal	44,00,000	37.05	44,00,000	24.89
<b>Total – A</b>		<b>99,38,500</b>	<b>83.69</b>	<b>99,38,500</b>	<b>56.23</b>
<b>Promoters Group</b>					
5.	Sharda Devi Sanwermal Agarwal	8,25,000	6.95	8,25,000	4.67
6.	Mayur Agarwal	3,87,500	3.26	3,87,500	2.19
7.	Palak Agarwal	1,50,000	1.26	1,50,000	0.85
<b>Total – B</b>		<b>13,62,500</b>	<b>11.47</b>	<b>13,62,500</b>	<b>7.71</b>
<b>Total – C (A+B)</b>		<b>1,13,01,000</b>	<b>95.16</b>	<b>1,13,01,000</b>	<b>63.94</b>

\*Subject to finalisation of basis of allotment

For further details, please refer to the chapter titled “Capital Structure” beginning on Page 69 of this Red Herring Prospectus.

## 9. Summary of Financial Information

Following are the details as per the Restated Financial Information as at and for the six months period ended September 30, 2024 and as at and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in lacs, except share data)

S. No.	Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	1,187.50	1,187.50	475.00	475.00
2.	Net Worth	2,084.72	1,630.80	762.28	665.31
3.	Total Revenue from operations	2,228.72	3,832.78	3,995.03	3,340.94
4.	Profit after Tax	453.92	868.52	96.97	50.18
5.	EPS (in ₹)- Basis & Diluted	3.82	7.31	0.82	0.42
6.	NAV per equity share (in ₹)	17.56	13.73	16.05	14.01

S. No.	Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
7.	Total borrowings	3,055.39	2,924.51	2,876.68	2,641.92

For further details, please refer to the section titled “Financial Information” beginning on Page 172 of this Red Herring Prospectus.

#### 10. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

#### 11. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters and our Directors are provided below:

##### a) Litigations involving our Company

###### i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	1	18.90
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

###### ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

##### b) Litigations involving our Directors

###### i) Cases filed against our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

###### ii) Cases filed by our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

##### c) Litigations involving our Promoters

###### i) Cases filed against our Promoters:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil



ii) *Cases filed by our Promoters:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page 189 of this Red Herring Prospectus.

**12. Risk Factors**

Please refer to the section titled “*Risk Factors*” beginning on Page 28 of this Red Herring Prospectus.

**13. Summary of Contingent Liabilities**

As per the Restated Financial Information, our Company does not have any contingent liabilities as at and for the six months period September 30, 2024 and as at and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022

**14. Summary of Related Party Transactions**

As per the Restated Financial Information as at and for the six months period September 30, 2024 and as at and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022, following are the details of the related party transactions of our Company:

(₹ in lakhs)						
Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction for the period ended September 30, 2024	Amount of transaction during the period ended March 31, 2024	Amount of transaction during the period ended March 31, 2023	Amount of transaction during the period ended March 31, 2022
Mahesh Kumar Agarwal	Director	Loan Taken	-	24.50	17.88	71.80
		Loan Repaid	7.96	15.00	88.50	15.78
		Salary / Remuneration	9.00	18.00	18.00	18.00
Uma Shankar Agarwal	Director	Loan Taken	146.00	22.60	-	7.55
		Loan Repaid	-	40.00	30.00	32.55
Sharda Agarwal	Relative for Director	Loan Taken	67.00	7.40	5.35	13.36
		Loan Repaid	0.70	-	9.65	39.61
Anita Agarwal	Managing Director	Loan Taken	-	8.41	5.00	20.00
		Loan Repaid	19.00	15.00	-	9.00
Mayur Agarwal	Relative for Director	Loan Taken	-	-	3.80	6.00
		Loan Repaid	-	-	0.59	6.00
		Staff Advances	-	-	(5.00)	5.00
Sharda Devi Agarwal	Relative for Director	Loan Taken	-	10.00	14.24	15.00
		Loan Repaid	-	-	8.00	21.00
		Sale of goods	-	-	-	-
Surendra Agarwal	Relative for Director	Loan Taken	12.28	-	-	-
		Loan Repaid	-	-	30.00	-
Agarwal Glass Emporium	Proprietorship concern of Relative	Loan Taken	13.45	2.68	2.68	2.68
		Loan Repaid	-	-	-	-
		Sale of goods	10.21	23.68	32.01	21.32
Agarwal Float Glass India Limited	Entity in Which a Director is a	Sale of goods	202.95	26.40	16.07	304.78
		purchase of goods	164.12	107.16	294.52	346.13

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction for the period ended September 30, 2024	Amount of transaction during the period ended March 31, 2024	Amount of transaction during the period ended March 31, 2023	Amount of transaction during the period ended March 31, 2022
	Member Or Director					
Agarwal Fortune India Limited (formerly known as Devki Leasing & Finance Limited )	Entity in Which a Director is a Member Or Director	Purchases	103.93	54.69	-	-
		Rent	1.20			
Hardik glasses	Proprietorship concern of Relative of Director	Sale of goods	-	0.01	0.02	-
		purchase of goods	-	-	20.15	54.75
		Interest Receivable	27.95			

(₹ in lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount outstanding as on September 30, 2024 (Payable)/ Receivable	Amount outstanding as on March 31, 2024 (Payable)/ Receivable	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount outstanding as on March 31, 2022 (Payable)/ Receivable
Mahesh Kumar Agarwal	Director	Loan Taken	(15.26)	(23.22)	(13.72)	(84.34)
		Loan Repaid				
		Salary / Remuneration	(10.61)	(9.87)	(3.01)	(2.09)
Uma Shankar Agarwal	Director	Loan Taken	(147.06)	(1.06)	(18.46)	(48.46)
		Loan Repaid				
Sharda Agarwal	Relative for Director	Loan Taken	(80.29)	(13.99)	(6.60)	(10.89)
		Loan Repaid				
Anita Agarwal	Managing Director	Loan Taken	0.34	(18.66)	(25.25)	(20.25)
		Loan Repaid				
Mayur Agarwal	Relative for Director	Loan Taken	(3.21)	(3.21)	(3.21)	-
		Loan Repaid				
		Staff Advances		-	-	5.00
Sharda Devi Agarwal	Relative for Director	Loan Taken	(16.24)	(16.24)	(6.24)	-
		Loan Repaid				
		Sale of goods		-	-	-
Surendra Agarwal	Relative for Director	Loan Taken	(27.82)	(15.54)	(15.54)	(45.54)
		Loan Repaid				
Agarwal Glass Emporium	Proprietorship concern of Relative	Loan Taken	(20.71)	(7.26)	(4.58)	(1.90)
		Loan Repaid				
		Sale of goods	27.19	15.14	30.11	21.78
	Entity in Which a	Sale of goods	-	22.62	-	101.56

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount outstanding as on September 30, 2024 (Payable)/ Receivable	Amount outstanding as on March 31, 2024 (Payable)/ Receivable	Amount outstanding as on March 31, 2023(Payable)/ Receivable	Amount outstanding as on March 31, 2022 (Payable)/ Receivable
Agarwal Float Glass India Limited	Director is a Member Or Director	purchase of goods	(22.11)	-	-	-
Agarwal Fortune India Limited (formerly known as Devki Leasing & Finance Limited )	Entity in Which a Director is a Member Or Director	Purchases	(100.31)	(38.40)	1.35	-
		Rent				
Hardik glasses	Proprietors hip concern of Relative of Director	Sale of goods	135.70	107.75	107.74	101.00
		Interest Receivable	-	-	-	-
		purchase of goods	-	-	-	-

For further details, kindly refer the chapter titled “*Restated Financial Information*” on Page 172 of this Red Herring Prospectus.

#### 15. **Financials Arrangements**

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

#### 16. **Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Red Herring Prospectus**

No Equity Shares has been acquired from the date of this Red Herring Prospectus by our Promoters, hence the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Red Herring Prospectus is Not Applicable.

#### 17. **Average Cost of Acquisition of Equity Shares for Promoters**

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoters	No. of shares held	Average Cost of Acquisition (in ₹)
Anita Agarwal	17,12,500	4.00
Mahesh Kumar Agarwal	33,83,250	3.82
Uma Shankar Agarwal	4,42,750	4.00
Sharda Agarwal	44,00,000	4.00

#### 18. **Pre-IPO Placement**

Our Company has not undertaken a pre-IPO placement.

#### 19. **Issue of equity shares made in last one year for consideration other than cash**

Our Company has not issued shares for consideration other than cash during last one year:

#### 20. **Split or consolidation of Equity Shares in the last one year**

There has not been a split or consolidation of Equity Shares in the last one year.

#### 21. **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 III – RISK FACTORS**

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to, the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 113 and 178 respectively, of this Red Herring Prospectus as well as the other financial and statistical information contained in this Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in 'Financial Information' on page 172 of this Red Herring Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP, as restated.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in this Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of your investment.*

*This Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this Red Herring Prospectus.*

*These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### **Materiality**

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

- 1. Some events may not be material individually but may be material when considered collectively.*
- 2. Some events may have an impact which is qualitative though not quantitative.*
- 3. Some events may not be material at present but may have a material impact in the 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 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 Agarwal Toughened Glass India Limited.*

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

#### **INTERNAL RISK FACTORS**

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

*Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. While we typically have long term*

relationships with our customers, we have not entered into long term agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers and suppliers. The top 10 customers of our Company during the stub period ending September 30, 2024 and preceding three years, aggregated to 40.46%, 34.31%, 36.84% and 40.43%, of our total customers, for the stub period ending September 30, 2024, FY 2024, 2023 and 2022 respectively. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. If there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders or expand our customer base on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

***2. We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.***

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long term contract with any of customers nor has any marketing tie up for our products. Any change in the buying pattern of our customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

Our business depends on the continuity of our relationship with our customers. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current customers or if we are not able to develop new relationships, including if we are not able to provide services on a timely basis or offer services that meet the needs of the customers, the number of customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future.

While we negotiate product prices and payment terms with our customers, in the event our customers alter their requirements, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. In addition, our customers may also cancel purchase orders at short notice or without notice, which could have an impact on our inventory management. Termination of any of the above-mentioned arrangements or frequent cancellation of purchase orders could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Our inability to maintain our existing customer network could have a material adverse effect on our sales, business growth and prospects, results of operation, financial condition, and cash flows.

***3. If we are unable to attract new clients or retain our existing clients or default in payments, the growth of our business and cash flows will be adversely affected.***

Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition. Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition. However, our top 10 customers of our Company during the stub period ended September 30, 2024 and the preceding three years, aggregated to 40.46%, 34.31%, 36.84% and 40.43%, of our total customers, for the stub period ending September 30, 2024, FY 2024, 2023 and 2022 respectively. To increase our revenue and cash flows, we must regularly add new clients. If we are unable to generate sufficient sales or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to repeat contracts and/ or place new orders with us due to various factors including client service satisfaction, quality of product sold, meet the client's deliverable timeline, our pricing as compared to that of our competitors etc. If we fail to achieve repetitive orders from existing clients or to add new clients, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

- 4. *We are dependent upon few suppliers for the material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.***

Our top 10 suppliers contributed 99.33%, 99.96%, 99.87% and 98.46%, of our total expenses for the six months period ended September 30, 2024 and financial year ended March 31, 2024, 2023 and 2022, respectively. In our industry, generally there are no definitive agreements with the suppliers of the products we sell. We also do not have any long-term supply agreements with a majority of our suppliers or distributors and we procure our products on a purchase order basis. However, we have entered into a propel project Participation Agreement was executed in Chennai on January 1, 2024, between Saint-Gobin India Private Limited and our Company, where Saint-Gobin India Private Limited shall provide necessary training and guidance to our Company to improve its production efficiency, technical and marketing capability and work methods, and our Company shall accordingly render its service to ensure that the product is supplied (after being processed) as per the customer's requirements.

Owing to the absence of formal agreements, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. Absence of long-term supply contracts subject us to risks such as price volatility caused by various factors such as commodity market fluctuations, currency fluctuations, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. As a result, we are susceptible to the risks arising out of raw material price fluctuations, which could result in a decline in our operating margins. Further, our operations and performance are directly related to and affected by the cost of various inputs including raw materials such as clear float glass, tinted float glass, reflective float glass, low-e float glass, and acid-etched float glass. If we cannot fully offset increases in raw material prices with increases in the prices for our products, we will experience lower margins, which will have a material adverse effect on our results of operations, financial condition, and cash flows. In the absence of such contracts we are also exposed to the risk of unavailability of certain raw materials in desired quantities and qualities, in a timely manner or at all. In the last three Fiscals, we have not faced any issues with our suppliers leading to unavailability of raw materials. However, there can be no assurance that such instances will not occur in future which may have an adverse impact on our business, results of operations and financial condition.

- 5. *The commercial success of our products depends to a large extent on the success of the products of our end use customers. If the demand for the end use products in which our products are used as a raw materials declines, it could have a material adverse effect on our business, financial condition and results of operations.***

The products manufactured and supplied by us are primarily utilized in various industries for the purposes of decoration, bathrooms, commercial spaces and on front doors as it is well-known for promoting privacy. For further details, please refer to the chapter titled “*Our Business – Details of our product portfolio*” at page 117 of this Red Herring Prospectus.

The demand of our products is directly proportional to the demand of the products of our customers who use our products. Therefore the commercial success of our business is highly dependent on the commercial viability, demand and success of the end use products of our customers. Any downturn in the demand of such products could have a direct impact on the demand of our products and our business operations. Any disturbance in the industry in which our customers supply their end use products could adversely impact our business due to our high dependence on our customers. A reduction in the demand, development and production activities in the industries in which the end use products of our customers are supplied to, may correspondingly cause a decline in the demand for our products due to a slump in the business activities of our customers. Alternatively, in the event our customers are able to find a cheaper alternative for our products, it may adversely result in a reduction in the demand of our products and have a material adverse effect on our business, financial condition and results of operations. We cannot assure you that we will be able to devise an end use application of our products or diversify the application of our products to such an extent that failure of one industry will not hamper the business operations of our products. We also cannot assure you that we will be able to manufacture such products which would be irreplaceable. Our failure to effectively react to these situations or to successfully introduce new products or new applications for our existing products could adversely affect our business, prospects, results of operations and financial condition.

- 6. *Our manufacturing units and our operations are geographically concentrated in Rajasthan. Consequently, we are exposed to risks from economic, regulatory and other developments in the region which could have an adverse effect on our business, results of operations and financial condition. Further, our continued operations are critical to our business and any shutdown of our manufacturing units may adversely affect our business, results of operations and financial condition.***

Our manufacturing units and our business operations are located in Rajasthan. Our products find extensive application in the general households and commercial industries of Rajasthan. The economic and regulatory condition in Rajasthan may be affected by various factors outside our control, including prevailing local, social and economic conditions, changes in the applicable governmental regulations, demographic trends, changes in regulations governing employment of labourers, fluctuation in the income levels and interest rates, among other factors. Further, since our manufacturing units are concentrated in Rajasthan any political disruption, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate in Rajasthan, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the glass industry in Rajasthan.

Further, as a result, any local social unrest, natural disaster or breakdown of services and utilities in Rajasthan, could have material adverse effect on the business, financial position and results of our operations. Our current manufacturing units are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. In the event, we are forced to shut down our manufacturing units for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition as a whole. Spiralling cost of living around our unit may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness.

In addition to the above if our manufacturing units suffers losses as a result of any industrial accident, we may be forced to shut down our manufacturing units which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing units may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our manufacturing units, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

***7. We are dependent on our manufacturing units, and any loss, or shutdown, or under-utilization of the production capacities of our manufacturing units may have an adverse effect on our business, financial condition and results of operations.***

Our manufacturing units are subject to operational risks such as the breakdown or failure of equipment, power supply or processes, lack of raw materials performance below expected levels of output or efficiency, obsolescence, production outages, natural disasters, industrial accidents and the need to comply with new directives of the relevant government authorities. We may be required to shut down our manufacturing units, from time to time, for capacity expansions, enhancements and equipment upgrades. We have enhanced the production capacities at our manufacturing units in the past and we seek to maintain high capacity utilization at each of our manufacturing units. However, there is no assurance that we will be able to utilize the production capacities of our manufacturing units to the fullest. While, there has not been any instances of underutilisation of manufacturing capacity in the past, however occurrence of any such events may have an adverse impact on our business, results of operations and financial condition.

Moreover, any disruptions in the operations of our manufacturing unit, technical or otherwise, may have a material adverse impact on our business, financial condition and results of operations. While we take precautions to minimize the risk of any significant operational problems at our manufacturing units, there can be no assurance that our business, financial condition and results of operations will not be adversely affected by disruptions caused by operational problems at our manufacturing units.

***8. Manufacturing of glass involve hazardous processes that can cause personal injury and loss of life, severe damage to and destruction of property and equipment, which could result in incurring material liabilities, loss of revenues and increased expenses.***

Owing to the risks associated with the glass manufacturing process carried out at the manufacturing units, our operations are prone to accidents which may involve moving glass shreds, glass waste, raw glass, machinery, on-site transport, forklifts and overhead cranes, fires in control rooms, electrical switch rooms, extreme temperatures, vibration and noise and exposure to, through inhalation or contact with, hazardous chemicals, etc. Occurrence of any accidents may result

in destruction of property and equipment, injuries and even fatalities to employees interrupting our operations, damaging our reputation and brand name. We have continuously in the past taken efforts to monitor, safeguard and strengthen safety measures and reduce accidents at our manufacturing units. However, there have not been any instances in the past where fatal accidents occurred at our manufacturing units, however occurrence of any such accidents could adversely affect our operations. Our aggrieved employees, members of the public or government authorities may bring claims or initiate criminal proceedings/public interest litigation, class action against us and/or our Directors in relation to accidents at our manufacturing units. If it is determined by the appropriate authorities that provisions and measures for safety within our premises are inadequate or non-compliant of stipulated guidelines/directions, the licenses granted to us for operations at such premises may be revoked or suspended, thereby adversely affecting our business, operations financial condition and results of operations.

**9. *We have experienced growth in the previous years on account of diversified product mix, which may not continue in the future and accordingly, our revenues may decline.***

We have experienced a steady growth in the previous years on account of our diversified product mix. For details, please see “*Our Business – Details of our product portfolio*” at page 117 of this Red Herring Prospectus. There can be no assurance that we will be able to continue to expand or further diversify our products in the future and the absence of such positive contributing factors, may have an adverse impact on our growth and profitability as compared to past periods. Conditions such as decline in the demand of our products or emergence of competitive products may have an impact on our revenue and financial condition. Absence of favourable factors may have an adverse impact on our growth and profitability in future as compared to past periods. Owing to a decline in revenue, we may not be able to maintain profitability and may incur losses in the future. Accordingly, our future results of operations, financial conditions, including growth in profitability, may not be comparable to the Restated Financial Information included in this Red Herring Prospectus and any reliance placed on the same should be accordingly limited.

**10. *Our Company is yet to place orders for 100% towards purchase of plant and machinery. Any delay in placing orders or procurement of such plant and machinery may further delay the schedule of implementation and increase the cost of commissioning the manufacturing unit.***

Our Company proposes to deploy an amount of Rs. 966.81 Lakhs from the Net Proceeds towards purchase of machinery for our existing factory unit. Keeping in the growing demand for toughened glasses in market, our Company proposes to add one more advance production line machine / advance tempering machine (with Upper Forced Fan Convection through Steel Tubes) to the existing line of production. Our Company has received third party quotations for purchase of plant and machinery, for details please refer to the chapter titled “*Objects of the Issue*” on page 82 of this Red Herring Prospectus. Although, we have identified the vendors and type of equipment to be purchased for the existing manufacturing unit, we are yet to place order for 100% of the orders for purchase of plant and machinery. Further, the cost of the purchase of plant and machinery is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of equipment, change in the government regulation and policies, change in management’s view of desirability of the current plans, possible cost overruns, etc. Since, we have not yet placed orders for the said purchase of plant and machinery we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same can cause time and cost overrun in the implementation of our proposed project and can also compel us to buy such machineries at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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

Our products may contain certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We undertake various tests for our products including human impact, ball drop, design & visual examinations, annealing assessments (residual stress), glass thickness and weight measurements etc. We have implemented quality control processes for our raw materials and finished goods, however, we cannot assure you that our quality control processes or our product will pass the quality tests and inspections conducted by various agencies as per their prescribed standards will not fail. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the regulatory quality standards set by regulatory agencies and our customers as deviation from the same can cause them to reject our products and can also cause damage to our reputation, market standing and brand value.



In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we might be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Such quality lapses could strain our longstanding relationship with our customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which could have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

***12. Any delays and/or defaults in payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we majorly supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If an intermediary defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

Our business requires a significant amount of working capital. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks have to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see "*Objects of the Issue*" on page 82. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

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

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

result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**13. There have been instances of delayed filings and erroneous filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to ROC.**

In the past, there have been certain instances of delays in filing statutory forms which have been subsequently filed by payment of an additional fee as specified by ROC.

S. No.	Forms that are filed with additional fees	Normal Fees	Additional Fees
1	Form 23AC for FY 2010	300	2700
2	Form 20B for FY 2010	300	2700
3	Form 23AC for FY 2011	300	600
4	Form 23AC for FY 2013	300	1200
5	Form 20B for FY 2013	300	600
6	Form 23AC for FY 2014	600	1200
7	MGT 7 2015	600	7200
8	AOC 4 2015	600	7200
9	AOC 4 2020	600	2800
10	MGT 7 2022	600	100
11	ADT 1 for 2016	600	7200
12	ADT 1 for 2020	600	7200
13	ADT 3 - 06/09/2022	600	1200

Further, our Company inadvertently provided incorrect information on paperwork filed with the Registrar of Companies. Our Company has to the extent possible rectified such filings by re-filing erroneous attachments with the RoC details are as follows:

S. No.	Forms filed with ROC	Attachment	Incorrect Details
1.	PAS-3	Resolution dated March 29, 2014	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder
2.	PAS-3	Resolution dated November 9, 2015	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder
3.	PAS-3	Resolution dated November 17, 2015	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder
4.	PAS-3	Resolution dated December 25, 2015	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder
5.	INC-22	Resolution dated August 2, 2016	Board Resolution does not contain reason of change in registered address and said resolution is not as per the provision of Companies Act, 2013 and rule made thereunder.
6.	PAS-3	Resolution dated September 22, 2017	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder.
7.	PAS-3	Resolution dated March 31, 2018	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder.
8.	PAS-3	Resolution dated March 31, 2019	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder.
9.	PAS-3	Resolution dated March 27, 2021	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder.
10.	ADT-1	Resolution date August 27, 2022	Shareholder Resolution does not contain the appointment of auditor was due to casual vacancy caused by the resignation of R SHAH & COMPANY
11.	PAS-3	Resolution dated October 30, 2023	Board Resolution is not as per the provision of Companies Act, 2013 and rule made thereunder.

**Materiality of incorrect filing:** No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**14. Our Group Companies have conflicts of interest as they are engaged in similar business and may compete with us.**

Our Group Companies, Agarwal Float Glass India Limited and Agarwal Fortune India Limited are engaged in the same line of business as our Company. We have not entered into any non-compete agreement with our Group Companies, and there can be no assurance it will not compete with our existing business or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Companies in circumstances where our respective interests conflict. In cases of conflict, our Promoters may favour their companies in which our Promoters have interest. We cannot assure that our Promoters will not favour the interests of such Companies over our interest or that the said entities will not expand which may increase our competition, this dependency may adversely affect our growth, business operations and the financial condition of our Company.

There can be no assurance that our Promoters or our Group Companies will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Our Company depends on the management skills and guidance of our Promoters for the development of the business strategies, monitoring of its successful implementation and meeting of future challenges. Our Promoters may become involved in ventures that may potentially compete with our Company. The interests of our Promoters may conflict with the interests of our other Shareholders, and our Promoter may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit their interests instead of our Company's interests or the interests of its other Shareholders. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please see "**Our Promoters and Promoter Group - Other ventures of our Promoters**" on page 165 of this Red Herring Prospectus.

**15. Our Promoters and Directors have extended personal guarantees with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.**

Our Promoters and Directors, Mahesh Kumar Agarwal, Uma Shankar Agarwal and Sharda Agarwal have extended certain personal guarantees in favour of certain banks / financial institutions with respect to various facilities availed by our Company from them. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. If the guarantees is invoked or our manufacturing unit is foreclosed, the ability of our Company to continue its business operations could be adversely affected. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled "**Financial Indebtedness**" on page 174 of this Red Herring Prospectus.

**16. If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.**

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. As of date, we have obtained all the necessary approvals for operating our manufacturing units. However, we cannot assure you that in future we shall our licenses will be granted in a timely manner or renewed in time or at all. Further, these licenses, registrations and approvals are subject to

several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the chapter titled "**Government and Other Approvals**" beginning on page 194 of this Red Herring Prospectus.

***17. We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business. Further, if we are unable to adapt to technological changes and successfully implement new technologies or if we face failure of our information technology systems, we may not be able to compete effectively which may result in higher costs and would adversely affect our business and results of operations.***

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorised access to our networks. In the event, any breach of our systems or software leads to the leaking of our trade secrets or any inventive techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors.

Our future success depends in part of our ability to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis. Our failure to successfully adopt such technologies in a cost-effective manner could increase our costs thereby compelling us to bid at lower margins which might lead to loss of bidding opportunities vis-à-vis such competitors. Additionally, the government authorities may require adherence with certain technologies and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

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

To ensure smooth functioning of our manufacturing operations, we need to maintain continuous supply and transportation of the raw materials required from the supplier to our manufacturing units and transportation of our products from our units to our customers, which may be subject to various uncertainties and risks. While, we maintain one vehicle for transportation of raw materials and finished products, however, we are also dependent on third party transportation providers for the delivery of raw materials to us and delivery of our products to our customers. Uncertainties and risks such as transportation strikes or delay in supply of raw materials and products could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to maintain a continuous supply of raw materials or to deliver our products to our distribution customers in a timely, efficient and reliable manner could adversely affect our business, results of operations and financial condition.

Further, we have not entered into any long term agreements with our transporters for our manufacturing unit and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transport agencies would fulfil their obligations or would not commit a breach of the understanding with us. In the event that the finished goods or raw materials suffer damage or are lost during transit, we may not be able to prosecute the agencies due to lack of formal agreements. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition.

**19. We do not own the premises in which our registered office and factory units are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.**

Our registered office, both our factory units are on leased and our Company has entered into an agreement with Lessors for leasing the said premises. The detail of our property leased by us is as follows:

Agreement Date; Lease Period	Name of the Lessor	Leased	Location of the Property	Lease Fee (in Rs.)	Purpose
27-06-2010; for 99 years w.e.f. 27-06-2010	Rajasthan State Industrial Development & Investment Corporation Limited, Jaipur – 302005, Rajasthan, India	Leased	F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India	20,870 p.a.	Used as Registered office & Factory Unit – 1
27-10-2017; for 99 years w.e.f. 27-10-2017	Rajasthan State Industrial Development & Investment Corporation Limited, Jaipur – 302005, Rajasthan, India	Leased	F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India	37,800 p.a.	Used as Factory Unit - 2

For details, please refer to “**Our Business Overview- Our Properties**” page 140 of this Red Herring Prospectus.

Our business operations are also conducted from the said premises. As per the lease agreement, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations. In case, we may have to re-locate to another premise and/or agree to pay the extra amount for using the same premises. Increase in lease structure will lead to increase of our expenditure which in turn may affect our revenue and increase of operational cost. Also, searching for the suitable location, setting the branch from the scratch and relocating the inventory from location to another, may lead to loss of clients, reduction in sales thereby affecting our profitability.

**20. We have working capital requirements. If we experience insufficient cash flows to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Our Trade Receivables for the six months period ending September 30, 2024 and financial year ended March 31, 2024, March 31, 2023, March 31, 2022 were ₹ 1,271.79, ₹ 1,072.54 Lakhs, ₹ 896.89 Lakhs and ₹ 749.98 Lakhs, respectively and our inventories for the six months period ending September 30, 2024 and financial year ended March 31, 2024, March 31, 2023, March 31, 2022 were ₹ 1,454.54, ₹ 1,492.53 Lakhs, ₹ 973.42 Lakhs and ₹ 844.78 Lakhs.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby

adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

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

Information relating to our historical installed capacities and capacity utilization of our both factory units included in this Red Herring Prospectus is disclosed based on certificate dated November 12, 2024 as provided by the Management of the Company. For details, see “**Our Business –Capacity and Capacity Utilization**” on page 133 of this Red Herring Prospectus. The fluctuation-increase or decrease in capacity utilization in any financial year is mainly dependent on the size of the projects, production cycle and the technical parameters of manufacturing the glass. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. In addition, we are unable to present the average estimated annual installed capacity for our other products category due to the nature of and the range of products included in our other products category.


**22. Some of our Group Companies are engaged in the same line of business to that of our Company and may have incurred losses in the past. There are no non-compete agreements between our Company and Promoter Group Entities and/ Promoter Group Members. However, we cannot assure that our Promoter and Promoter Group members will not favour the interests of such entities over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.**


Some of our Group Companies namely, Agarwal Float Glass India Limited and Agarwal Fortune India Limited have objects that are broadly similar to our Company although specifically our company is manufacturing specifically toughen glass only and our group companies are manufacturing specifically float glass only. For detail on our Group Companies, please refer to “**Our Group Companies**” beginning on page 169 of this Red Herring Prospectus. We have not entered into any non-compete agreement with the said entities. We cannot assure that our Promoter/ Promoter Group who has common interest in said entities will not favour the interest of the said entity. As a result, conflicts of interests can arise on account of common suppliers/ customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

Further, except for Agarwal Fortune India Limited incurring loss of Rs. 31.52 Lakhs and Rs. 17.42 Lakhs in FY 2021-22 and FY 2020-21, respectively, none of our other group companies have incurred loss in the past. The loss incurred by group companies do not have any impact on overall revenue of our company. There can be no assurance that our group companies will not incur losses in the future, which may have an adverse effect on our reputation and business.

**23. We may be able to sufficiently protect, or continue our intellectual property and other proprietary rights.**

We have registered trademarks of our Company, details of which have been provided below:

Trademark No.	Description	Issuing authority	Applicant	Status	Date of Application	Date of expiry	Trademark
3165627	TOUGHENED GLASS, INSULATED GLASS, GLASS, GLASS PANELS, SAFETY GLASS, LAYERED GLASS	Registrar of Trademarks, Trade Marks Registry, Mumbai	The Company	Registered	21/01/2016	21/01/2026	

Trademark No.	Description	Issuing authority	Applicant	Status	Date of Application	Date of expiry	Trademark
3969206	UNDER CLASS 19.* TOUGHENED GLASS, INSULATED GLASS, GLASS, GLASS PANELS, SAFETY GLASS, LAYERED GLASS UNDER CLASS 19.	Registrar of Trademarks, Trade Marks Registry, Mumbai	The Company	Registered	10/10/2018	10/10/2028	

Note: the above-mentioned trademarks are under the name of Agarwal Toughened Glass India Private Limited. Our Company is yet to make application for changing the name from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited”

\*Agarwal Float Glass India Limited, a member of our group company, has received non-objections certificate from Our Company to use our logo in their communications and other uses vide non-objections certificate dated April 04, 2018.

We cannot guarantee that any of our registered or unregistered intellectual property rights or our know-how, or claims thereto, will now or in the future successfully protect what we consider to be the intellectual property underlying our products and business, or that our rights will not be opposed or otherwise challenged. While we endeavour to ensure that we comply with the intellectual property rights, there can be no assurance that we will not face any intellectual property infringement claims brought by third parties. Any claims of infringement, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims and may divert the efforts and attention of our management away from our business. Further, our registered trademark was registered and owned by our company and one of our Group Entity i.e. Agarwal Float Glass India Limited also uses the said logo. Our company has is our logo and we have provided them the NOC for using the said logo. We could be required to change the name of our Company which carry the prefix "Agarwal", pay third party infringement claims or obtain fresh licenses resulting from a name change. The occurrence of any of the foregoing could result in unexpected expenses.

**24. Unsecured loans taken by our Company can be recalled by the lenders at any time.**

Our Company has currently availed unsecured loans from certain lenders. These loans may be recalled by the lenders at any time. In the event that, any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company’s liquidity. If we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, see "**Financial Indebtedness**" on page 174 of this Red Herring Prospectus.

**25. Industry related data is taken from online sources and therefore may be incorrect or inaccurate.**

Industry and related data contained in this Red Herring Prospectus may be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data 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 elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**26. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.**

As on September 30, 2024, our total outstanding indebtedness was ₹ 3,055.39 Lakhs which includes secured and unsecured borrowings. For details on our borrowings, please refer to chapter titles “*Financial Indebtedness*” beginning from page 174 of this Red Herring Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

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

Our Company has entered into related party transactions with our Promoters, Directors, Promoter group members in the past. While our Company believes that all such transactions have been conducted on an arm’s length basis and are accounted as per Ind AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For details, please refer to the “*Annexure -XXXVII-Related Party Transaction*” under chapter titled “*Restated Financial Information*” on page 172 of this Red Herring Prospectus.

**28. Our insurance coverage may not be adequate.**

Our Company has obtained insurance coverage in respect of certain risks. For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled “*Our Business*” beginning on page 113 of this Red Herring Prospectus. The insurance policies are renewed periodically to ensure that the coverage is adequate, however, our insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “*Our Business*” beginning on page 113 of this Red Herring Prospectus.

**29. Our Company had negative cash flow from certain activity in stub period and recent fiscals, details of which are given below.**

Sustained negative cash flow could adversely impact our business, financial condition and results of operations. The detailed break up of cash flows is summarized in below table and our Company has reported negative cash flow from operating activity in the financial years is as mentioned below, which could affect our business and growth:

(Rs. In lakhs)

Particulars	As on September 30, 2024	As on March 31		
		2024	2023	2022
Net cash flow from operating activities	410.77	550.41	348.10	(82.68)
Net cash flow from investing activities	(411.94)	(512.57)	(181.07)	(66.36)



Particulars	As on September 30, 2024	As on March 31		
		2024	2023	2022
Net cash flow from financing activities	4.72	(203.89)	21.06	118.06

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its 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, it may adversely affect our business and financial operations. For further, details please refer to the section titled “*Financial Information*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 172 and 178 respectively, of this Red Herring Prospectus.

**30. There have been several instances of delay/ default in payment of statutory dues pertains to Goods Service Tax (GST) and Employees Provident Fund (EPF) and filing of statutory returns by our Company in the past.**

There have been delays/defaults in payment of statutory dues pertaining to Goods and Service Tax (GST) and Employees Provident Fund (EPF) by our Company in the past seven financial years which were material in nature and the same has been regularized as of date and there are no outstanding statutory dues pertains to Goods and Service Tax (GST) and Employees Provident Fund (EPF) as on date.

Following are the tables giving details of outstanding with delay in number of days etc.:

**For GST Outstanding**

(Amount in Rs.)

Financial Year	GST payable	GST paid in Cash	Paid Through GST -Input Tax Credit	Balance GST payable
*2017-2018	3,13,44,727	49,30,233	2,64,14,494	-
2018-2019	4,52,88,189	81,21,731	3,71,66,458	-
2019-2020	5,05,64,732	24,37,682	4,81,27,050	-
2020-2021	3,91,94,898	51,36,376	3,40,58,522	-
2021-2022	5,94,30,129	4,90,15,216	1,04,14,913	-
2022-2023	7,12,15,053	1,45,18,280	5,66,96,773	-
2023-2024	6,49,60,180	1,32,81,724	5,16,78,465	-

\*From July-2017 to March 2018

Our company is doing business on order-to-order basis and sometimes bulk quantity required to procure from suppliers (To complete big projects) because there is uncertainty of production scheduled by our suppliers. We used our working capital accordingly and trying to maintain working capital cycle which is sometimes high in our business segment.

For the filing of return form GSTRB, during the Fiscal 2021, there was delay in the payment by 17 days due to Covid19 lockdown. Though there was a delay in filing technically but the Government had announced various reliefs for taxpayers in the form of extension of the due date of for GST compliances, so it would not be considered a delay and there were no penalties on such delayed filings.

**Employees Provident Fund (EPF).**

There have been delays/defaults in payment of statutory dues pertaining amount payable on account of EPF as per details submitted in table below by our Company in the past for last seven financial years which were material in nature and the same will be regularized in due course of time.

Following are the tables giving details of outstanding with delay in number of days etc.:

(Amount in Rs.)

Financial Year	EPF Challan Amount	EPF payable	EPF Paid	Balance payable
2017-2018	16,06,488.0	16,06,488.0	16,06,488.0	-

2018-2019	18,93,632.0	18,93,632.0	18,93,632.0	-
2019-2020	23,85,488.0	23,85,488.0	23,85,488.0	-
2020-2021	19,85,599.0	19,85,599.0	19,85,599.0	-
2021-2022	23,13,865.0	23,13,865.0	23,13,865.0	-
2022-2023	24,08,592.0	24,08,592.0	24,08,592.0	-
2023-2024	26,02,968.0	26,02,968.0	26,02,968.0	-

Our company confirms that as on date nothing is due and payable to EPF, and its returns have been filed in time and there is no delay. We cannot assure you that there will be no default or delay in future in payment of such statutory dues. Further, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by respective statutory authorities on account of such delay in payments or filing of returns, which may adversely affect our business, financial condition, and reputation.

**31. There are certain outstanding legal proceeding involving our Company, Promoter, Directors and Promoter Group Members which may adversely affect our business, financial condition and results of operations.**

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company, Promoter, Directors and Promoter Group Members as disclosed in this Red Herring Prospectus, to the extent quantifiable, have been set out below:

(₹ in Lakhs)						
Name of Entity	Criminal Proceedings	Tax Proceedings	Outstanding Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved*
<b>Company</b>						
By the Company	3	1	-	-	-	18.90
Against the Company	-	-	-	-	-	-
<b>Promoter</b>						
By the Promoter	-	-	-	-	-	-
Against the Promoter	-	-	-	-	-	-
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Group Companies</b>						
By the Group Companies	-	-	-	-	-	-
Against the Group Companies	-	-	-	-	-	-

\*To the extent quantifiable.

For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 189 of this Red Herring Prospectus.

**32. We intend to use a portion of the Net Proceeds to prepay / repay certain loan facilities.**

One of the objects of the Issue is the pre-payment / repayment of certain loan facilities, in full or in part, availed by our Company. Our Company intends to utilise an amount of up to Rs. 600.00 Lakhs from the Net Proceeds, towards the

prepayment / repayment of these loan facilities. For details of the outstanding loans proposed for repayment or prepayment, in full or in part from the Net Proceeds, without any obligation to any particular bank or financial institution, see “*Objects of the Issue – Details of the Objects – Repayment of certain borrowings*” on page 87 of this Red Herring Prospectus. The amount utilized to prepay / repay these loans will, therefore, not be available for investment in our business and will not result in any immediate increase in the value of your investment in our Equity Shares.

**33. *We are dependent on a number of key employees, including our senior management, and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management and other senior management, including our present officers who have creative minds, specialized technical know-how. The inputs and experience of our senior management and key managerial personnel are valuable for the development of our business and operations strategy. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our ability to retain experienced staff members as well as senior management will in part depend on our maintaining appropriate staff remuneration and incentive schemes in accordance with then prevailing private sector industry standards. We cannot assure you that the remuneration and incentive schemes we have in place will be sufficient to retain the services of our senior management and skilled employees.

**34. *Inability to meet the quality and quantity standard norms prescribed by the central and state governments could adversely impact the sales of our products, in particular our toughen glass products, being banned or suspended or becoming subject to significant compliance costs, which could have a material adverse effect on our business growth and prospects, results of operations, financial condition, and cash flows.***

The quality and quantity standard norms of the toughen glass products being manufactured by required the meet the basis quality standards Bureau of Indian Standards (BSI). Our Factory units are ISO 9001-2015 certified. For further details, please see “*Government and Other Statutory Approvals*” beginning on page 194 of this Red Herring Prospectus. Our company is following norms as prescribed under BIS standards and there is no violation till date. However, the government authorities could impose fines or issue us show cause notices if the samples are not in conformity with the prescribed quality and quantity norms. Till date our company has not been fined by the government authorities. Failure on our part to adhere to the quality norms prescribed by the government agencies could lead to the recall of those batches and/or the products in the relevant state, or we may be liable to pay a penalty. Any such order passed by the governmental authorities could generate adverse publicity about our Company and our products, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. Further, the quality of our products is dependent on the effectiveness of our quality control system, which, in turn, depends on a number of factors, including the design of our system, our quality control training program, and the implementation and application of our quality control policies and guidelines. Any significant failure or deterioration of our quality control system could result in defective or sub-standard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or sub-standard products. Further, any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may also lead to loss of reputation and goodwill of our Company, cancellation of orders and even lead to loss of business associates.

**35. *Improper storage and handling of raw materials and finished products may cause damage to our inventory leading to an adverse effect on our business, results of operations and cash flows.***

Our inventory primarily consists of float glasses (such as clear float glass, tinted float glass, reflective float glass, low-e float glass, and acid-etched float glass etc.) as raw material and the main ingredients of float glasses are silica sand, soda ash and dolomite. Our raw materials, manufacturing processes and finished products if not appropriately stored, handled and processed may affect the quality of the finished product, which could materially and adversely affect our business, financial condition, results of operations, or cash flows. Improper storage may also result in higher than usual spoilage of inventory due to adverse weather conditions or longer than usual storage periods, which may result in cullitization of our inventory consisting of our products, and may also require us to incur additional expenses in replacing that portion of the inventory and/ or incur additional expenses in maintenance and improvement of our storage infrastructure, which may adversely affect our profit margins.

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

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

***37. We have significant power requirements for continuous running of our manufacturing unit. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.***

Our manufacturing operations require significant amount of electricity and any interruption in the supply of power may temporarily disrupt our operations. Since, our manufacturing process requires high power consumption, any unexpected or unforeseen increase in the tariff rates can increase the operating cost of our manufacturing units and thereby cause an increase in the production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in the areas from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition, cash flows and results of operations. For further details, please refer to the chapter titled “*Our Business*” on page 113 of this Red Herring Prospectus.

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

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “*Interest of our Directors*” in the chapter titled — “*Our Management*”, the paragraphs titled — “*Interest of our Promoters and Other Interests and Disclosures*” in the chapter titled — “*Our Promoters and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 157, 166, 174 and 172, respectively of this Red Herring Prospectus.

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

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

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold 63.94 % of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company’s best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

***40. The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.***

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined through book building mechanism. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "*Capital Structure*" on page 69 of this Red Herring Prospectus.

**41. *Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/or surplus of products, which could harm our business.***

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we must make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of products. This unavailability of products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. There may be more than one such inaccurate forecasts in one season. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

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

We may encounter problems in executing the orders in relation to our imported and exported products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, even though we execute orders with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent the delivery of the orders placed will be made. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

**43. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 82 of this Red Herring Prospectus.

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

The growth and success of our Company's future significantly depends upon the experience of our Promoters and continued services and the management skills of our Key Managerial Personnel and our Senior Management and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and our Senior Management and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel and our Senior Management in the past, however, any attrition of our experienced Key Managerial Personnel and our Senior Management, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel and our Senior Management who leave. In the event we are unable to motivate and retain our Key Managerial Personnel and our Senior Management and thereby lose the services of our highly skilled

Key Managerial Personnel and our Senior Management may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors, Key Managerial Personnel and our Senior Management, please refer to the chapter titled — “*Our Management*” on page 153 of this Red Herring Prospectus.

***45. We operate in a highly competitive industry, which could limit our ability to grow.***

The product line in which we operate is marketed by the organised and unorganized players. We sell our products in highly competitive markets, and competition in these markets is based primarily on the quality, design, range and specifications servicing, availability and pricing of such products. To remain competitive in our markets, we must continuously strive to reduce our procurement, production and distribution costs and improve our operating efficiencies. If we fail to do so, others may be able to sell their products at prices lower than our prices, which would have an adverse affect on our market share and results of operations. Also, we compete with various established players in our line of business. Some of our current and potential competitors, including MNCs, have an edge over us, on account of global expertise, longer operating histories, greater brand recognition, existing customer relationships, and significantly greater financial, marketing and other resources, all of which could have a material adverse effect on our results of operations and financial condition. They may also benefit from greater economies of scale and operating efficiencies. There can be no assurance that we can continue to effectively compete with such competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

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

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

***47. The industry in which we operate, requires labour/ manpower and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

The industry in which we operate being labour intensive depends on labour force for carrying out its activity. Although, we have not experienced any labour unrest, as our manpower requirement is not more, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

***48. 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" is to be mainly 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.

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

The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Since this Issue Size is less than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. 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 in terms of SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**50. *Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Issue in the manner set out in the section titled “*Objects of the Issue*” on page 82 in the Draft Red Herring Prospectus. In accordance with SEBI LODR Regulations, Section 13(8) and Section 27 of the Companies Act, 2013 and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled “*Objects of the Issue*” on page 82 in the Draft Red Herring Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

Further, pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Draft Red Herring Prospectus, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue, our business and financial results may suffer.

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

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited review 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 determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of the Company.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

**52. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued

listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

***53. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited due to delay in submission of required documents/ completion of formalities/compliance with required laws by the issuer. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

***54. There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

***55. The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

***56. You will not be able to sell immediately on the Stock Exchanges any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI. However, SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.



We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

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

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading 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 the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

***58. The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the steel sector;
- adverse media reports about us or the Indian steel sector;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market

sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

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

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

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

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

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

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

**EXTERNAL RISK FACTORS**

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 ("Finance Act"). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 ("PDP Bill") was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of

Electronics and Information Technology, Government of India (“**MoEIT**”) has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

***63. Our business is substantially affected by prevailing economic conditions in India.***

We perform all of our activities in India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India’s present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighboring countries; and
- prevailing national, regional or global economic conditions, including in India’s principal export markets.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the industries in which we operate.

***64. Foreign investors are subject to foreign investment restrictions under Indian law.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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

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

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

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change

as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

***68. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

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

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

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

## SECTION IV - INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	57,99,600 Equity Shares aggregating up to ₹ [●] lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Maker</b>	2,97,600 Equity Shares aggregating up to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto 55,02,000 Equity Shares aggregating up to ₹ [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(4)(5)</sup>	Not more than 27,50,400 Equity Shares aggregating up to ₹ [●] lakhs
<b>Of which</b>	
a) Anchor Investor Portion	Upto 16,50,000 Equity Shares aggregating up to ₹ [●] lakhs
b) Net QIB Portion (Assuming the anchor investor portion is fully subscribed)	Upto 11,00,400 Equity Shares aggregating up to ₹ [●] lakhs
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	Upto 54,000 Equity Shares aggregating up to ₹ [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto 10,46,400 Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than 8,25,600 Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than 19,26,000 Equity Shares aggregating up to ₹ [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,18,75,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto 1,76,74,600 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “Objects of the Issue” on page 82 of this Red Herring Prospectus.

\* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of 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 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 22, 2024 and by the Shareholder’s of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on June 25, 2024.
- 3) 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 Anchor, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.
- 4) 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.
- 5) 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 Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on pages 213 and 217, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 206.

## SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the six month period ended September 30, 2024 and as at and for the Financial Years ended March 31, 2024, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page 172 of this Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Pages 172 and 178, respectively of this Red Herring Prospectus.

(₹ in Lakhs)

<b>Restated Statement of Assets and Liabilities</b>				
<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders Funds</b>				
a. Share Capital	1,187.50	1,187.50	475.00	475.00
b. Reserves & Surplus	897.22	443.30	287.28	190.31
<b>Non - Current Liabilities</b>				
a. Long-term Borrowings	1,317.68	1,257.98	1,577.84	1,441.22
b. Deferred Tax Liability (net)	-	-	-	-
c. Long Term Provisions	19.82	-	-	-
d. other Non Current Liabilities	22.60	23.05	133.22	64.08
<b>Current Liabilities</b>				
a. Short Term Borrowings	1,737.71	1,666.53	1,298.84	1,200.70
b. Trade Payables				
- Total outstanding dues of micro enterprises and small enterprises; and	23.98	20.72	23.67	20.85
- Total outstanding dues of creditors other than micro enterprises and small enterprises	245.56	156.11	128.03	101.72
c. Other Current liabilities	107.19	91.27	83.44	97.97
d. Short Term Provisions	148.29	308.39	55.00	28.64
<b>TOTAL</b>	<b>5,707.55</b>	<b>5,154.85</b>	<b>4,062.32</b>	<b>3,620.49</b>
<b>ASSETS</b>				
<b>Non Current Assets</b>				
a. Property, Plant & Equipment & Intangible Assets				
- Property, Plant & Equipment	2,135.44	1,436.72	1,575.15	1,748.28
- Intangible Assets	-	-	-	-
- Capital Work-in-Progress	313.21	673.86	180.18	-
b. Deferred Tax Asset (net)	27.12	33.41	32.14	18.28
c. Long-term Loans & Advances	-	-	9.22	8.34
d. Other Non-current assets	175.30	171.55	152.83	20.83
<b>Current Assets</b>				
a. Inventories	1,454.54	1,492.53	973.42	844.78
b. Trade Receivables	1,271.79	1,072.54	896.89	749.98
c. Cash and Cash Equivalents	35.44	31.89	65.94	9.85
d. Short term loan and advances	291.84	240.09	173.72	217.71
e. Other current assets	2.87	2.26	2.83	2.44
<b>TOTAL</b>	<b>5,707.55</b>	<b>5,154.85</b>	<b>4,062.32</b>	<b>3,620.49</b>

(₹ in Lakhs)

Restated Statement of Profit & Loss				
Particulars	For the period ended September 30, 2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
<b>INCOME</b>				
Revenue from Operations	2,228.72	3,832.78	3,995.03	3,340.94
Other Income	121.01	217.48	65.29	131.05
<b>Total Income (A)</b>	<b>2,349.73</b>	<b>4,050.26</b>	<b>4,060.32</b>	<b>3,471.99</b>
<b>EXPENDITURE</b>				
Cost of raw material consumed	1,197.50	2,085.84	2,647.74	2,209.55
Direct Expenses	196.99	287.33	362.73	359.35
Changes in inventories of finished goods , work-in-progress and stock-in-trade	(95.46)	(290.15)	97.17	64.11
Employee benefits expense	186.69	348.85	350.08	298.45
Finance costs	137.25	272.32	231.83	220.51
Depreciation and amortization expense	73.87	156.11	174.02	203.42
Other expenses	45.50	29.90	62.41	49.62
<b>Total Expenses (B)</b>	<b>1,742.34</b>	<b>2,890.20</b>	<b>3,925.98</b>	<b>3,405.01</b>
<b>Profit before extraordinary items and tax(A-B)</b>	<b>607.39</b>	<b>1,160.06</b>	<b>134.34</b>	<b>66.98</b>
Extraordinary items	-	-	-	-
<b>Profit before tax</b>	<b>607.39</b>	<b>1,160.06</b>	<b>134.34</b>	<b>66.98</b>
<b>Tax Expense:</b>				
(i) Current tax	147.18	292.80	51.25	29.88
(ii) Deferred tax	6.29	(1.26)	(13.88)	(13.08)
<b>Total Expenses (E)</b>	<b>153.47</b>	<b>291.54</b>	<b>37.37</b>	<b>16.80</b>
<b>Profit for the year (D-E)</b>	<b>453.92</b>	<b>868.52</b>	<b>96.97</b>	<b>50.18</b>
<b>Earnings per share (Face value of ₹ 10/- each):</b>				
<b>i. Basic</b>	<b>3.82</b>	<b>7.31</b>	<b>0.82</b>	<b>0.42</b>
<b>ii. Diluted</b>	<b>3.82</b>	<b>7.31</b>	<b>0.82</b>	<b>0.42</b>

(₹ in Lakhs)

Restated Statement of Cash Flow				
Particulars	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>				
Net Profit before tax as per Profit And Loss A/c	607.39	1,160.06	134.34	66.98
<b>Adjustments for:</b>				
Loss on sale of Fixed asset	-	1.21		
Finance Cost	131.06	267.63	219.75	202.39
Depreciation and Amortisation Expense	73.87	156.11	174.02	203.42
<b>Operating Profit Before Working Capital Changes</b>	<b>812.32</b>	<b>1,585.01</b>	<b>528.11</b>	<b>472.79</b>
Adjusted for (Increase)/Decrease in operating assets				
Inventories	37.99	(519.11)	(128.64)	(65.83)
Trade Receivables	(199.25)	(175.65)	(146.90)	(143.94)
Short Term Loans and advances	(51.75)	(66.37)	43.99	(21.88)
Other Non Current Assets	(3.75)	(18.72)	(132.00)	0.50
Other Current Assets	(0.61)	0.57	(0.39)	(0.22)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	92.71	25.13	29.13	(228.92)
Other Current Liabilities	11.02	4.63	(16.23)	(72.29)
Other Non-Current Liabilities	(0.45)	(110.17)	69.14	(27.48)
Provisions	20.63	-	0.10	(0.05)
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>718.86</b>	<b>725.32</b>	<b>246.31</b>	<b>(87.32)</b>
Net Income Tax paid/ refunded	(308.09)	(30.20)	(25.86)	(12.42)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>410.77</b>	<b>695.12</b>	<b>220.45</b>	<b>(99.74)</b>
Purchase of property, plant & equipment and intangible assets (including CWIP)	(411.94)	(513.04)	(181.07)	(66.36)
Sale of property, plant & equipment	-	0.47		
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(411.94)</b>	<b>(512.57)</b>	<b>(181.07)</b>	<b>(66.36)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from Issue of Equity Shares	-	-	-	-
Proceeds /(Repayment) of Borrowings	130.88	47.83	234.76	318.52
Finance Cost Paid	(126.16)	(264.43)	(218.05)	(183.40)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>4.72</b>	<b>(216.60)</b>	<b>16.71</b>	<b>135.12</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	3.55	(34.05)	56.09	(30.98)
Cash & Cash Equivalents As At Beginning of the Year	31.89	65.94	9.85	40.84
Cash & Cash Equivalents As At End of the Year	<b>35.44</b>	<b>31.89</b>	<b>65.94</b>	<b>9.85</b>



## GENERAL INFORMATION

Our Company was incorporated on October 30, 2009 as 'Agarwal Toughened Glass India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 30, 2009 issued by the Registrar of Companies, Rajasthan. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on January 2, 2023, and by the Shareholders in an Extraordinary General Meeting held on January 30, 2023 and consequently the name of our Company was changed to 'Agarwal Toughened Glass India Limited' and a fresh certificate of incorporation dated March 6, 2023 was issued by the Registrar of Companies, Jaipur. The Corporate Identity Number of our Company is U26109RJ2009PLC030153.

### Registered Office of our Company

#### **Agarwal Toughened Glass India Limited**

F-2264, RIICO Industrial Area,  
Ramchandrapura, Sitapur (Ext.),  
Jaipur - 302 022, Rajasthan, India.

**Telephone:** +91 723 004 3212

**Facsimile:** N.A.

**E-mail:** info@agarwaltuff.com

**Investor grievance id:** investorgrievance@agarwaltuff.com

**Website:** www.agarwaltuff.com

**CIN:** U26109RJ2009PLC030153

As on date of this Red Herring Prospectus, our Company does not have a corporate office.

### Registrar of Companies

Our Company is registered with the Registrar of Companies, Rajasthan at Jaipur situated at the following address:

#### **Registrar of Companies, Rajasthan at Jaipur**

C/6 - 7, 1<sup>st</sup> Floor, Residency Area,  
Civil Lines, Jaipur - 302 001,  
Rajasthan, India.

### Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Red Herring Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Anita Agarwal	Chairman and Managing Director	09740258	Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur - 302 015, Rajasthan, India.
2.	Mahesh Kumar Agarwal	Executive Director	02806108	Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur – 302 018, Rajasthan, India
3.	Uma Shankar Agarwal	Non-Executive Director	02806077	Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur - 302 015, Rajasthan, India.
4.	Nitin Ghanshyam Hotchandani	Independent Director	08569325	Kardhani Shopping Center, B- 230 Malviya Nagar, Jaipur – 302 017, Rajasthan, India.
5.	Shalini Sharma	Independent Director	08494127	2418, 2 Crossing, Bhindo Ka Rasta, Chandpol Bajar - 302 001, Jaipur, Rajasthan.
6.	Ravi Torani	Independent Director	06976749	2-Gh-35, Shri Ram Vihar Colony, Vaishali Nagar, Ajmer - 305 001, Rajasthan, India.

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 153 of the Draft Red Herring Prospectus.

### **Chief Financial Officer**

**Mangal Ram Prajapati** is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

F-2264, RIICO Industrial Area,  
Ramchandrapura, Sitapur (Ext.),  
Jaipur - 302 022, Rajasthan, India.

**Telephone:** +91 723 004 3212

**Facsimile:** N.A.

**E-mail:** cfo@agarwaltuff.com

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

**Neha Jadoun** is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

F-2264, RIICO Industrial Area,  
Ramchandrapura, Sitapur (Ext.),  
Jaipur - 302 022, Rajasthan, India.

**Telephone:** +91 723 004 3212

**Facsimile:** N.A.

**E-mail:** cs\_complianceofficer@agarwaltuff.com

### **Investor grievances**

**Investors can contact the Company Secretary and 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.**

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediary(ies) in addition to the information mentioned hereinabove.

In terms of SEBI Master Circular, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount. Further, in terms of SEBI circular 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 BRLM, 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.

All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

**Book Running Lead Manager**

**Cumulative Capital Private Limited**

321, 3<sup>rd</sup> Floor, C Wing,  
215 Atrium Co Op. Premises,  
Andheri Kurla Road, Hanuman Nagar,  
Andheri (E) Mumbai - 400 093,  
Maharashtra, India.

**Telephone:** +91 98196 62664 / 701 625 1158

**Facsimile:** N.A.

**E-mail:** contact@cumulativecapital.group

**Website:** www.cumulativecapital.group

**Investor grievance:** investor@cumulativecapital.group

**Contact Person:** Swapnilsagar Vithalani / Parin Dhanesha

**SEBI Registration Number:** INM000013129

**Registrar to the Issue**

**KFIN Technologies Limited**

Selenium Tower B, Plot No. 31 & 32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032,  
Telangana, India

**Telephone:** +91 40 6716 2222/180 0309 4001

**Facsimile:** +91-40-6716 1563

**E-mail:** atgil.ipo@kfintech.com

**Website:** www.kfintech.com

**Investor grievance:** einward.ris@kfintech.com

**SEBI Registration No.:** INR000000221

**Contact Person:** M Murali Krishna

**CIN:** L72400TG2017PLC117649

**Legal Advisor to the Issue**

**T&S Law**

Unit Number 15, Logix Technova,  
Block B, Sector 132, Noida - 201 304,  
Uttar Pradesh, India.

**Telephone:** +91 995 611 4287

**Facsimile:** N.A.

**Email:** info@tandslaw.in

**Contact Person:** Sagarika Kapoor

**Statutory and Peer Review Auditor of our Company**

**Jethani and Associates,**

Chartered Accountants  
454, Bees Dukan,  
Adarsh Nagar, Jaipur - 302 004,

Rajasthan, India  
**Telephone:** +91 14 1403 2778/ 931 450 6944  
**Email:** jethanica@gmail.com  
**Contact Person:** Umesh Kumar Jethani  
**Membership No.:** 400485  
**Firm Registration No.:** 010749C  
**Peer Review Certificate No.:** 014525

### **Bankers to our Company**

#### **HDFC Bank Limited**

F-129, RIICO Industrial Area,  
Sitapura, Sanganer, Jaipur - 302 022,  
Rajasthan, India.

**Telephone:** +91 874 086 3128

**Facsimile:** N.A.

**Website:** www.hdfcbank.com

**Email:** sonam.bhopani@hdfcbank.com

**Contact Person:** Ms. Sonam Bhopani

### **Banker to the Issue**

#### **Axis Bank Limited**

**Address:** Ground Floor, old GT Road, Near Sector 2, Huda  
Chowk, Palwal Haryana 121102

**Telephone:** +91 97735 37011 / +91 11 4703 0015

**Email:** vishal.lade@axisbank.com

**Website:** www.axisbank.com

**Contact Person:** Mr. Vishal Lade

**SEBI Registration Number:** INBI00000017

**CIN:** L65110GJ1993PLC20769

The Banker(s) to the Issue shall be appointed prior to filing of this Red Herring Prospectus.

### **Refund Bank**

The Refund Bank(s) shall be appointed prior to filing of this Red Herring Prospectus.

### **Sponsor Bank**

The Sponsor Bank(s) shall be appointed prior to filing of this Red Herring Prospectus.

### **Syndicate Member**

Nikunj Stock Brokers Limited

**Address:** A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007

**Telephone:** +91 9810655378

**Email Id:** Complianceofficer@nikunjonline.com

**Contact Person:** Mr. Anshul Aggarwal

**Website:** www.nikunjonline.com

**SEBI Registration No.** INZ000169335

### **Designated Intermediaries**

#### *Self-Certified Syndicate Banks*

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

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### ***SCSBs enabled for UPI Mechanism***

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and 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, as amended.

### ***Registered Brokers***

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) 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 National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

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

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI [www.sebi.gov.in](http://www.sebi.gov.in) and updated from time to time.

### **IPO Grading**

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

### **Credit Rating**

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

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

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

### **Appraising Entity**

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

### **Expert Opinion**

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

Our Company has received written consent dated November 12, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this 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 Statutory Auditor and in respect of its (i) examination report dated November 11, 2024 on our restated financial information; and (ii) its report dated November 12, 2024 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

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

Cumulative Capital 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.

### **Filing**

The Draft Red Herring Prospectus was not filed with SEBI, nor did SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations. A copy of this Red Herring Prospectus shall furnished to the Board. Pursuant to SEBI Master Circular, a copy of this Red Herring Prospectus is being filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Draft Red Herring Prospectus was filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of this Red Herring Prospectus, along with the material contracts, documents is also being filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Changes in Auditors during the last three years**

Except as stated below, there has been no change in the statutory auditors of our Company in the last three years preceding the date of this Red Herring Prospectus:

<b>Name of Auditor</b>	<b>Date of Change</b>	<b>Reason for change</b>
<b>M/s. Asar &amp; Associates,</b> Chartered Accountants A-280, 80 ft Road, Mahesh Nagar, Jaipur -302 015, Rajasthan, India <b>Contact Person:</b> Anurag Rajoria <b>Email Id:</b> caasarassociates@gmail.com <b>Telephone:</b> +91 141 250 4943/ 988 727 7688 <b>Firm Registration No.:</b> 019461C <b>Membership No.:</b> 425719	November 22, 2021	Resigned from the post of statutory auditor on account of pre-occupation.
<b>M/s. R Shah &amp; Company,</b> Chartered Accountants 31-KA-3, Lal Kothi, Jyoti Nagar, Jaipur – 302 005, Rajasthan, India	November 22, 2021	Statutory auditor appointed to fill the casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor.

Name of Auditor	Date of Change	Reason for change
<b>Contact Person:</b> Harish Sharma <b>Email Id:</b> cabagra@gmail.com <b>Telephone:</b> +91 968 000 6926 <b>Firm Registration No.:</b> 502010C	July 30, 2022	Casual vacancy caused on account of change in constitution of M/s. R Shah & Company, Chartered Accountants, from a partnership firm to a sole proprietorship namely, M/s. Harish Sharma.
<b>M/s. Harish Sharma,</b> Chartered Accountants F-15, Kumawat School Building, Ajmer Road, Sodala, Jaipur - 302006, Rajasthan, India <b>Contact Person:</b> Harish Sharma <b>Email Id:</b> cabagra@gmail.com <b>Telephone:</b> +91 968 000 6926 <b>Firm Registration No.:</b> N.A. <b>Membership No.:</b> 403129	August 27, 2022	Appointment of M/s. Harish Sharma, as the statutory auditor of our Company, pursuant to change in constitution of the <i>erstwhile</i> statutory auditor.
	September 28, 2022	Cessation of term of appointment of the statutory auditor in the Annual General Meeting.
<b>M/s. Piyush Kothari &amp; Associates,</b> Chartered Accountants 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad – 380 009, Gujarat, India <b>Contact Person:</b> Mr. Piyush Kothari <b>Email Id:</b> <a href="mailto:piyushkothari9999@gmail.com">piyushkothari9999@gmail.com</a> <b>Telephone:</b> +91 884 939 8150 <b>Firm Registration No.:</b> 140711W <b>Membership No.:</b> 158407	September 28, 2022	Appointed as the statutory auditor of our Company for a period of one year.
	March 24, 2023	Resigned from the post of statutory auditor on account of pre-occupation.
<b>Jethani and Associates,</b> Chartered Accountants 454, Bees Dukan, Adarsh Nagar, Jaipur - 302 004, Rajasthan, India <b>Telephone:</b> +91 14 1403 2778/ 931 450 6944 <b>Email:</b> jethanica@gmail.com <b>Contact Person:</b> Umesh Kumar Jethani <b>Membership No.:</b> 400485 <b>Firm Registration No.:</b> 010749C <b>Peer Review Certificate No.:</b> 014525	March 28, 2023	Statutory Auditor was appointed to fill the casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor.
	September 30, 2023	Jethani and Associates, Chartered Accountants, was appointed as the statutory auditor of our Company for a period of one year.

### **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 English editions of Financial Express (a widely circulated English daily national newspaper), Hindi editions of Jansatta (a widely circulated Hindi daily national newspaper) and all editions of Nafa Nuksan (a widely circulated Hindi regional daily newspaper, Hindi being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation at least two working days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 Cumulative Capital Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue, in this case being KFIN Technologies Limited;
- The Escrow Collection Banks/ Bankers 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 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, other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders 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. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

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 applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “**Issue Procedure**” beginning on page 217 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 217 of this 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. 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 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 Company 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 217 of this 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 Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Issue Program:**

Event	Indicative Dates
Bid/Issue Opening Date <sup>^</sup>	Thursday, November 28, 2024
Bid/Issue Closing Date	Monday, December 2, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, December 3, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Tuesday, December 3, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, December 4, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, December 5, 2024

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days).

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

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders

are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

### **WITHDRAWAL OF THE ISSUE**

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

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

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh 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 the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment.

### **UNDERWRITING AGREEMENT**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters Cumulative Capital Private Limited.

Pursuant to the terms of the Underwriting Agreement dated November 15, 2024 entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

<b>Details of the Underwriters</b>	<b>No. of shares underwritten*</b>	<b>Amount Underwritten (₹ in Lakh)</b>	<b>% of the total Issue Size Underwritten</b>
Cumulative Capital Private Limited	57,99,600	[●]	100%

*\*Includes 2,97,600 Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company has entered into a Market Making Agreement dated November 15, 2024 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

#### **Nikunj Stock Brokers Limited**

**Address:** A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007

**Telephone:** +91 9810655378 / +91 11 4703 0015

**Email Id:** Complianceofficer@nikunjonline.com  
**Contact Person:** Mr. Anshul Aggarwal  
**Website:** www.nikunjonline.com  
**SEBI Registration No.** INZ000169335

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 National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated November 15, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

Nikunj Stock Brokers Limited, registered with EMERGE Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited 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 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 Issue 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 Emerge Platform of National Stock Exchange of India Limited from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
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 or 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. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
9. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
10. The Market Maker shall have the right to terminate the said arrangement by giving one month - notice or on mutually acceptable terms to the Book Running Lead Manager, 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 Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Book Running Lead Manager reserve the

right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particular point of time.

11. **Risk containment measures and monitoring for Market Maker:** 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.
12. **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.
13. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
14. Price Band and Spreads: SEBI Circular bearing reference no: *CIR/MRD/DP/02/2012* dated *January 20, 2012*, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:
  - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
15. 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.

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

16. 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)
Up to ₹ 20 Crore	25%	24%
₹ 20 Crore to ₹ 50 Crore	20%	19%
₹ 50 Crore to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

All the above-mentioned conditions and systems regarding the Market Making Arrangement, trading and other related aspects are subject to the applicable provisions of law, changes or additional regulations and guidelines from SEBI / Stock Exchange from time to time..

## CAPITAL STRUCTURE

The share capital of our Company as on date of this Red Herring Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorised Share Capital out of which :</b>		
	2,00,00,000 Equity Shares having face value of ₹ 10/- each	2,000.00	-
B.	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	1,18,75,000 Equity Shares having face value of ₹ 10/- each	1,187.50	-
C.	<b>Present Issue in terms of this Red Herring Prospectus<sup>(1)</sup></b>		
	Issue of upto 57,99,600 <sup>^</sup> Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	579.96	[●]
	<b>Which comprises</b>		
	<b>Reservation for Market Maker</b> 2,97,600 <sup>^</sup> of Equity Shares of ₹10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion	29.76	[●]
	<b>Net Issue to the Public</b> 55,02,000 <sup>^</sup> Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public	550.20	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 27,50,400 <sup>^</sup> Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	275.04	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least 8,25,600 <sup>^</sup> Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	82.56	[●]
	<b>Allocation to Retail Individual Investors:</b> At least 19,26,000 <sup>^</sup> Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors	192.60	[●]
D.	<b>Paid-up Share Capital after the Issue</b>		
	1,76,74,600 <sup>^</sup> Equity Shares of ₹ 10/- each	1,767.46	
E.	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[●]

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated June 22, 2024 and pursuant to a special resolution of our Shareholders passed in an Extra Ordinary General Meeting dated June 25, 2024 under Section 62(1)(c) of the Companies Act, 2013.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

<sup>^</sup>Subject to finalisation of basis of allotment

### Classes of Shares

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

### Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹ 5,00,000 (Rupees five lakhs only) divided into 50,000 Equity Shares of face value of ₹ 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
March 17, 2014	₹5,00,000 divided into 50,000 Equity Shares of face value of ₹ 10 each	₹ 2,25,00,000 divided in to 22,50,000 Equity Shares of face value of ₹ 10 each.	EGM
October 30, 2015	₹ 2,25,00,000 divided in to 22,50,000 Equity Shares of face value of ₹ 10 each.	₹ 2,50,00,000 divided into 25,00,000 Equity Shares of face value of ₹ 10 each.	EGM
July 28, 2017	₹ 2,50,00,000 divided into 25,00,000 Equity Shares of face value of ₹ 10 each.	₹ 2,80,00,000 divided in 28,00,000 Equity Shares of face value of ₹ 10 each.	EGM
March 9, 2018	₹ 2,80,00,000 divided in 28,00,000 Equity Shares of face value of ₹ 10 each.	₹ 3,20,00,000 divided into 32,00,000 Equity Shares of face value of ₹ 10 each.	EGM
March 30, 2019	₹ 3,20,00,000 divided into 32,00,000 Equity Shares of face value of ₹ 10 each.	₹ 4,00,00,000 divided into 40,00,000 Equity Shares of face value of ₹ 10 each.	EGM
March 24, 2021	₹ 4,00,00,000 divided into 40,00,000 Equity Shares of face value of ₹ 10 each.	₹ 5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹ 10 each.	EGM
September 15, 2022	₹ 5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹ 10 each.	₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of face value of ₹ 10 each.	EGM
January 30, 2023	₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of face value of ₹ 10 each.	₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of face value of ₹ 10 each.	EGM

## **NOTES TO THE CAPITAL STRUCTURE**

### **1) Share Capital History of our Company:**

#### **Equity Share Capital**

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

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On Incorporation*	50,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	50,000	5,00,000
March 29, 2014	19,45,000	10	10	Cash	Right Issue in the ratio of 389 new Equity Shares for 10 Equity Shares held on February 25, 2014 <sup>(2)</sup>	19,95,000	1,99,50,000
November 9, 2015	2,15,279	10	10	Cash	Right Issue in the ratio of 15 new Equity Shares for every 139 Equity Share held on October 15, 2015 <sup>(3)</sup>	22,10,279	2,21,02,790
November 17, 2015	1,60,000	10	10	Cash	Right Issue in the ratio of 70 new Equity Shares for every 967 Equity Share held on November 11, 2015 <sup>(4)</sup>	23,70,279	2,37,02,790
December 25, 2015	1,20,000	10	10	Cash	Right Issue in the ratio of 4 new Equity Shares for every 79 Equity Share held on November 19, 2015 <sup>(5)</sup>	24,90,279	2,49,02,790

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
September 22, 2017	2,80,121	10	10	Cash	Right Issue in the ratio of 9 new Equity Shares for every 80 Equity Share held on September 5, 2017 <sup>(6)</sup>	27,70,400	2,77,04,000
March 31, 2018	2,29,600	10	10	Cash	Right Issue in the ratio of 15 new Equity Shares for every 181 Equity Shares held on March 17, 2018 <sup>(7)</sup>	30,00,000	3,00,00,000
March 31, 2019	10,00,000	10	10	Cash	Right Issue in the ratio of 1 new Equity Shares for every 3 Equity Shares held on March 17, 2019 <sup>(8)</sup>	40,00,000	4,00,00,000
March 27, 2021	7,50,000	10	10	Cash	Right Issue in the ratio of 3 new Equity Shares for every 16 Equity Shares held on March 12, 2021 <sup>(9)</sup>	47,50,000	4,75,00,000
October 31, 2023	71,25,000	10	N.A.	Consideration on other than cash	Bonus Issue in the ratio of three (3) equity shares for every two (2) Equity Shares held on October 31, 2023 <sup>(10)</sup>	1,18,75,000	11,87,50,000

\*The MoA of our Company was signed on October 27, 2008, however, our Company was incorporated on October 30, 2009.

- (1) Subscription to MoA of our Company, by subscribing to a total of 50,000 Equity Shares of face value of ₹ 10/- each by Uma Shankar Agarwal (25,000); and Mahesh Kumar Agarwal (25,000).
- (2) Rights issue of 19,45,000 Equity Shares of face value of ₹ 10/- each to Anita Agarwal (1,05,000); Mahesh Agarwal (90,000); Sawarmal Agarwal (60,000); Sharda Agarwal (30,000); Sharda Devi Agarwal (60,000); and Uma Shankar Agarwal (16,00,000).
- (3) Rights issue of 2,15,279 Equity Shares of face value of ₹ 10/- each to Uma Shankar Agarwal (32,100); Mahesh Kumar Agarwal (1,18,179); Ishwar Lal Saini (25,000); and Ram Ji Lal Prajapati (40,000).
- (4) Rights issue of 1,60,000 Equity Shares of face value of ₹ 10/- each to Sharda Agarwal (1,00,000); Rajesh Agarwal (30,000); Makkhan Lal (20,000); and Dharmender Singh (10,000).
- (5) Rights issue of 1,20,000 Equity Shares of face value of ₹ 10/- each to Anita Agarwal (30,000); Dharmender Singh (20,000); Mahesh Chand Jain (20,000); Ramkisan Mahavar (20,000); Rajender Kumar Jaga (20,000); and Rajesh Agarwal (10,000).
- (6) Rights issue of 2,80,121 Equity Shares of face value of ₹ 10/- each to Mahesh Kumar (60,121); Sharda Devi Agarwal (20,000); and Sharda Agarwal (2,00,000).
- (7) Rights issue of 2,29,600 Equity Shares of face value of ₹ 10/- each to Surendra Kumar Agarwal.
- (8) Rights issue of 10,00,000 Equity Shares of face value of ₹ 10/- each to Sharda Agarwal.
- (9) Rights issue of 7,50,000 Equity Shares of face value of ₹ 10/- each to Mahesh Kumar Agarwal (5,00,000); Uma Shankar Agarwal (1,20,000); and Sharda Agarwal (1,30,000)
- (10) Bonus issue of 71,25,000 Equity Shares of face value of ₹ 10/- each to Uma Shankar Agarwal (2,65,650); Mahesh Kumar Agarwal (20,29,950); Anita Agarwal (10,27,500); Sharda Agarwal (26,40,000); Sharda Devi Agarwal (4,95,000); Surendra Kumar Agarwal (3,44,400); Palak Agarwal (90,000); and Mayur Agarwal (2,32,500).

We confirm that our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus.

## 2) Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Red Herring Prospectus.

## 3) Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:

Except as set out below we have not issued equity shares for consideration other than cash:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
October 31, 2023	71,25,000	10	N.A.	Bonus Issue in the ratio of three (3) equity shares for every two (2) Equity Shares as held on October	Nil	Bonus issued out of the Reserves.

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
				28, 2023 authorized by our Board, pursuant to a resolution passed at its meeting held on October 30, 2023 and by our shareholders pursuant to a resolution passed at the EGM held on October 30, 2023.		

*For details in respect of list of allottees, please see “- Share Capital History of our Company - Equity Share Capital” on page 70.*

- 4) As of date of this Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 5) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 6) 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 Red Herring Prospectus.



7) **Shareholding Pattern of our Company**

The table below represents the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

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 shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No	As a % of total shares held (b)	No	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	7	1,13,01,000	-	-	1,13,01,000	95.17	Equity	1,13,01,000	95.17	-	95.17	-	-	-	-	1,13,01,000
(B)	Public	51	5,74,000	-	-	5,74,000	4.83	Equity	5,74,000	4.83	-	4.83	-	-	-	-	5,74,000
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>58</b>	<b>1,18,75,000</b>	<b>-</b>	<b>-</b>	<b>1,18,75,000</b>	<b>100.00</b>	<b>Equity</b>	<b>1,18,75,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,18,75,000</b>

*Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoters are in dematerialized form.*

8) **Other details of shareholding of our Company:**

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital as of the date indicated
1.	Sharda Agarwal	44,00,000	37.05
2.	Mahesh Kumar Agarwal	33,83,250	28.49
3.	Anita Agarwal	17,12,500	14.42
4.	Sharda Devi Sanwormal Agarwal	8,25,000	6.95
5.	Uma Shankar Agarwal	4,42,750	3.73
6.	Mayur Uma Shankar Agarwal	3,87,500	3.26
7.	Palak Mahesh Kumar Agarwal	1,50,000	1.26
<b>Total</b>		<b>1,13,01,000</b>	<b>95.16</b>

- b) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital as of the date indicated
1.	Sharda Agarwal	44,00,000	37.05
2.	Mahesh Kumar Agarwal	33,83,250	28.49
3.	Anita Agarwal	17,12,500	14.42
4.	Sharda Devi Sanwormal Agarwal	8,25,000	6.95
5.	Uma Shankar Agarwal	4,42,750	3.73
6.	Mayur Uma Shankar Agarwal	3,87,500	3.26
7.	Palak Mahesh Kumar Agarwal	1,50,000	1.26
<b>Total</b>		<b>1,13,01,000</b>	<b>95.16</b>

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital as of the date indicated
1.	Sharda Agarwal	44,00,000	37.05
2.	Mahesh Kumar Agarwal	33,83,250	28.49
3.	Anita Agarwal	17,12,500	14.42
4.	Sharda Devi Sanwormal Agarwal	8,25,000	6.95
5.	Surendra Kumar Agarwal	5,74,000	4.84
6.	Uma Shankar Agarwal	4,42,750	3.73
7.	Mayur Agarwal	3,87,500	3.26
8.	Palak Agarwal	1,50,000	1.26
<b>Total</b>		<b>1,18,75,000</b>	<b>100.00</b>

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital as of the date indicated
1.	Sharda Agarwal	17,60,000	37.05
2.	Mahesh Kumar Agarwal	13,53,300	28.49
3.	Anita Agarwal	6,85,000	14.42
4.	Sharda Devi Sanwormal Agarwal	3,30,000	6.95
5.	Surendra Kumar Agarwal	2,29,600	4.84
6.	Uma Shankar Agarwal	1,77,100	3.73
<b>Total</b>		<b>45,35,000</b>	<b>95.48</b>

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of this Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right

to convert a debenture, loan or other instrument.

- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Red Herring Prospectus.
- 9) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. 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 opening of the Issue 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 may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

#### 10) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoter:

##### *Anita Agarwal*

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in ₹)	Issue / Transfer Price (in ₹)	Cummulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital *
November 9, 2015	Right Issue in the ratio of 15 new Equity Shares for every 139 Equity Share held on October 15, 2015	Cash	1,05,000	10	10	1,05,000	0.88	0.59
December 25, 2015	Right Issue in the ratio of 4 new Equity Shares for every 79 Equity Share held on November 19, 2015	Cash	30,000	10	10	1,35,000	1.14	0.17
November 19, 2016	Transfer from Uma Shankar Agarwal	Cash	3,00,000	10	10	4,35,000	3.66	1.70
March 20, 2017	Transfer from Uma Shankar Agarwal	Cash	2,50,000	10	10	6,85,000	5.77	1.41
October 31, 2023	Bonus Issue in the ratio of three (3) equity shares for every two (2) Equity Shares held on October 31, 2023	-	10,27,500	10	-	17,12,500	14.42	5.81
<b>Total</b>			<b>17,12,500</b>				<b>14.42</b>	<b>9.69</b>

\*Subject to finalisation of basis of allotment

##### *Uma Shankar Agarwal*

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in ₹)	Issue / Transfer Price (in ₹)	Cummulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital *
October 30, 2009	Subscription to the MoA	Cash	25,000	10	10	25,000	0.21	0.14
March 29, 2014	Right Issue in the ratio of 389 new Equity Shares for 10 Equity Shares held on February 25, 2014	Cash	16,00,000	10	10	16,25,000	13.68	9.05
November 9, 2015	Right Issue in the ratio of 15 new Equity Shares for every 139 Equity Share held on October 15, 2015	Cash	32,100	10	10	16,57,100	13.95	0.18
November 19, 2016	Transfer to Anita Agarwal	Cash	(3,00,000)	10	10	13,57,100	11.43	1.70
November 19, 2016	Transfer to Sharda Agarwal	Cash	(3,00,000)	10	10	10,57,100	8.90	1.70
March 20, 2017	Transfer to Anita Agarwal	Cash	(2,50,000)	10	10	8,07,100	6.80	1.41
March 20, 2017	Transfer to Mahesh Kumar Agarwal	Cash	(5,00,000)	10	10	3,07,100	2.59	2.83
March 20, 2017	Transfer to Sharda Devi Agarwal	Cash	(2,50,000)	10	10	57,100	0.48	1.41
March 27, 2021	Right Issue in the ratio of 3 new Equity Shares for every 16 Equity Shares held on March 12, 2021	Cash	1,20,000	10	10	1,77,100	1.49	0.68
October 31, 2023	Bonus Issue in the ratio of three (3) equity shares for every two (2) Equity Shares held on October 31, 2023	-	2,65,650	10	-	4,42,750	3.73	1.50
<b>Total</b>			<b>4,42,750</b>				<b>3.73</b>	<b>2.51</b>

***Mahesh Kumar Agarwal***

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in ₹)	Issue / Transfer Price (in ₹)	Cummulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital *
October 30, 2009	Subscription to the MoA	Cash	25,000	10	10	25,000	0.21	0.14
March 29, 2014	Right Issue in the ratio of 389 new Equity Shares for 10 Equity Shares held on February 25, 2014	Cash	90,000	10	10	1,15,000	0.97	0.51
November 9, 2015	Right Issue in the ratio of 15 new Equity Shares for	Cash	1,18,179	10	10	2,33,179	1.96	0.67

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in ₹)	Issue / Transfer Price (in ₹)	Cummulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital *
	every 139 Equity Share held on October 15, 2015							
March 20, 2017	Transfer from Uma Shankar Agarwal	Cash	5,00,000	10	10	7,33,179	6.17	2.83
March 30, 2017	Transmission from Sawar Mal Agarwal	Cash	60,000	10	10	7,93,179	6.68	0.34
September 22, 2017	Right Issue in the ratio of 9 new Equity Shares for every 80 Equity Share held on September 5, 2017	Cash	60,121	10	10	8,53,300	7.19	0.34
March 27, 2021	Right Issue in the ratio of 3 new Equity Shares for every 16 Equity Shares held on March 12, 2021	Cash	5,00,000	10	10	13,53,300	11.40	2.83
October 31, 2023	Bonus Issue in the ratio of three (3) equity shares for every two (2) Equity Shares held on October 31, 2023	-	20,29,950	10	-	33,63,250	28.32	11.49
<b>Total</b>			<b>33,83,250</b>				<b>28.49</b>	<b>19.14</b>

*Sharda Agarwal*

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in ₹)	Issue / Transfer Price (in ₹)	Cummulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital *
March 29, 2014	Right Issue in the ratio of 389 new Equity Shares for 10 Equity Shares held on February 25, 2014	Cash	30,000	10	10	30,000	0.25	0.17
November 17, 2015	Right Issue in the ratio of 70 new Equity Shares for every 967 Equity Share held on November 11, 2015	Cash	1,00,000	10	10	1,30,000	1.09	0.57
November 19, 2016	Transfer from Uma Shankar Agarwal	Cash	3,00,000	10	10	4,30,000	3.62	1.70
September 22, 2017	Right Issue in the ratio of 9 new Equity Shares for every 80 Equity Share held on September 5, 2017	Cash	2,00,000	10	10	6,30,000	5.31	1.13

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in ₹)	Issue / Transfer Price (in ₹)	Cummulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital *
March 31, 2019	Right Issue in the ratio of 1 new Equity Shares for every 3 Equity Shares held on March 17, 2019	Cash	10,00,000	10	10	16,30,000	13.73	5.66
March 27, 2021	Right Issue in the ratio of 3 new Equity Shares for every 16 Equity Shares held on March 12, 2021	Cash	1,30,000	10	10	17,60,000	14.82	0.74
October 31, 2023	Bonus Issue in the ratio of three (3) equity shares for every two (2) Equity Shares held on October 31, 2023	-	26,40,000	10	-	44,00,000	37.05	14.94
<b>Total</b>			<b>44,00,000</b>				<b>37.05</b>	<b>24.89</b>

- 11) As on the date of this Red Herring Prospectus, the Company has fifty eight (58) members/shareholders.
- 12) The details of the Shareholding of the Promoters as on the date of this Red Herring Prospectus are set forth in the table below:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
<b>Promoters</b>					
1.	Anita Agarwal	17,12,500	14.42	17,12,500	9.69
2.	Mahesh Kumar Agarwal	33,83,250	28.49	33,83,250	19.14
3.	Uma Shankar Agarwal	4,42,750	3.73	4,42,750	2.51
4.	Sharda Agarwal	44,00,000	37.05	44,00,000	24.89
<b>Total – A</b>		<b>99,38,500</b>	<b>83.69</b>	<b>99,38,500</b>	<b>56.23</b>
<b>Promoters Group</b>					
5.	Sharda Devi Sanwarmal Agarwal	8,25,000	6.95	8,25,000	4.67
6.	Mayur Agarwal	3,87,500	3.26	3,87,500	2.19
7.	Palak Agarwal	1,50,000	1.26	1,50,000	0.85
<b>Total – B</b>		<b>13,62,500</b>	<b>11.47</b>	<b>13,62,500</b>	<b>7.71</b>
<b>Total – C (A+B)</b>		<b>1,13,01,000</b>	<b>95.16</b>	<b>1,13,01,000</b>	<b>63.94</b>

- 13) Our Promoters, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Red Herring Prospectus is filed with Stock Exchange.
- 14) There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of this Red Herring Prospectus.
- 15) **Promoters' Contribution and other Lock-In details:**

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoters’ Contribution**”), and the Promoters’ shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoters’ Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Offer / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Offer paid-up capital	Period of lock-in
<b>Anita Agarwal</b>							
6,09,600	Bonus	October 31, 2023	10	NIL	Other than cash	3.45	3 years
<b>Mahesh Kumar Agarwal</b>							
12,03,600	Bonus	October 31, 2023	10	NIL	Other than cash	6.81	3 years
<b>Uma Shankar Agarwal</b>							
1,58,400	Bonus	October 31, 2023	10	NIL	Other than cash	0.90	3 years
<b>Sharda Agarwal</b>							
15,66,000	Bonus	October 31, 2023	10	NIL	Other than cash	8.86	3 years
<b>TOTAL</b>	<b>35,37,600</b>					<b>20.02</b>	

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoters are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoters, see “**Shareholding of our Promoters**” on page 75.

The Promoters’ Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters’ contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares allotted to the promoter against the capital existing in the firms for a period of less than one year on a continuous basis.
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters’ Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoters' Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Red Herring Prospectus till the date of commencement of lock in period as stated in this Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoters' Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoters' Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

***Other requirements in respect of 'lock-in'***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters 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.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 16) Our Company, our Promoters, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 17) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 18) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Red Herring Prospectus.
- 19) 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.
- 20) There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 21) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.
- 22) 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.



- 23) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- 24) 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 Red Herring Prospectus.
- 25) As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- 26) Our Promoters and the members of our Promoter Group will not participate in the Issue.
- 27) Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel and Senior Management:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Anita Agarwal	17,12,500	14.42	17,12,500	9.69
2.	Mahesh Agarwal	33,83,250	28.49	33,83,250	19.14
3.	Uma Shankar Agarwal	4,42,750	3.73	4,42,750	2.51
	<b>Total</b>	<b>55,38,500</b>	<b>46.64</b>	<b>55,38,500</b>	<b>31.34</b>

- 28) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 29) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on page 217 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 30) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 31) 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 Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 32) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 33) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 34) As on date of this Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 35) We confirm that none of the investors of our Company are directly/indirectly related with Book Running Lead Managers and their associates.

## OBJECTS OF THE ISSUE

The Offer comprises of a Fresh Issue by our Company.

The Fresh Issue includes a public Issue of upto 57,99,600<sup>^</sup> Equity Shares of ₹ 10/- each of our Company at an Issue Price of ₹ [●] per Equity Share. The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

- 1) Purchase of machinery at our existing manufacturing unit;
- 2) Repayment of certain Borrowings;
- 3) To meet incremental working capital requirements; and
- 4) General Corporate Expenses.

<sup>^</sup>subject to finalisation of basis of allotment.

(Collectively referred as the “Objects”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the NSE Emerge and enhancement of our Company’s brand name. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

### Utilization of Net Proceeds

The details of the Net Proceeds proposed to be utilized are set out in the following table below:

Particulars	Amount (₹ in lakhs)
Purchase of machinery at our existing manufacturing unit	966.81
Repayment of certain Borrowings	600.00
To meet incremental working capital requirements	2,500.00
General corporate purposes*	[●]
<b>Net proceeds</b>	<b>[●]</b>

\* Amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the issue

### Schedule of implementation, requirement of funds and utilization of net proceeds

The Net Proceeds expected to be utilized in accordance with the schedule set forth below:

Objects	Total estimated cost	Amount to be financed from Net Proceeds	Estimated utilization of Net Proceeds in FY	
			2025	2026
Purchase of machinery at our existing manufacturing unit	966.81	966.81	966.81	-
Repayment of certain Borrowings	600.00	600.00	600.00	-
To meet incremental working capital requirements	3,245.92	2,500.00	1,000.00	1,500.00
General corporate purposes	[●]	[●]	[●]	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the issue

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which

may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled financial year is not completely met, due to the reasons stated above, the same shall be utilised in the next financial year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations

### **Means of finance**

Since the entire fund requirement of ₹ [●] lakhs will be met from the Net Proceeds hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230 (1)(e) of the SEBI ICDR Regulations which require 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 Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

### **DETAILS OF THE OBJECTS**

#### **I. PURCHASE OF MACHINERY AT OUR EXISTING MANUFACTURING UNIT**

Our company is engaged in the business of manufacturing Toughened Glasses. As on date of filing the Draft Red Herring Prospectus, we have two operational factory units that is operated by us and is located in Jaipur (Rajasthan). For details on our factory unit, please refer to “*Our Manufacturing Infrastructure*” on page 125 of this Red Herring Prospectus.

Our Company proposes to deploy an amount of ₹ 966.81 lakhs from the Net Proceeds towards purchase of machinery for our existing factory unit and as approved by the Board at its meeting held on July 13, 2024. Keeping in the growing demand for toughened glasses in market, our company proposes to add one more advance Production Line Machine / advance Tempering Machine (with Upper Forced Fan Convection through Steel Tubes) to the existing line of production which will increase the capacity by 10,80,000 SQMT p.a. The unit will be installed at the F-2236, RIICO Ramchandrapura Industrial Area Sitapura Ext. Jaipur-302022 (Unit-II) where the facility of storage of raw materials, handling, manpower, electricity connection are already available which are necessary for the production. Also the floor related work is under process at the place where the plant is to be installed.

#### **Operational Readiness:**

It signifies that the site is already outfitted with critical infrastructure, implying that production may begin immediately. This reduces the risk of operational disruptions and facilitates planning and forecasting.

#### **Cost Efficiency:**

Having storage, handling, and power connections in place can drastically minimize initial costs. It minimizes or decreases the need for extra investment in certain areas, lowering the project's overall cost.

#### **Resource Availability:**

It emphasizes that vital resources are readily available, ensuring that the manufacturing process is not delayed by shortages or logistical challenges with raw materials or power supply.

#### **Risk Mitigation:**

By certifying the availability of appropriate facilities and resources, the statement helps to reduce the risks associated with supply chain disruptions, operational inefficiencies, or the need for unexpected and possibly costly infrastructure developments.

In summary, such a statement reassures stakeholders of the production environment's readiness and stability, which may result in smoother operations and a higher possibility of project success.

Our Company has identified the machinery to be purchased and obtained quotations from respective vendors / suppliers and is yet to place any orders or enter into definitive agreements for purchase of such machinery. The amount to be spent and machinery to be procured by our Company will depend upon business requirements and technological advancement. The details and total estimated cost towards purchasing machinery is as follows:

Sr. no.	Date of quotation	Description & quotation reference number	Vendor	Unit / quantity	Amount per unit / quantity (₹ in lakhs)	Total amount (₹ in lakhs)	Validity
1.	June 26, 2024	STG-Q2842-15A Flat & Bent Glass Tempering Machine (with Upper Forced Fan Convection through Steel Tubes) Quotation No: STG240304	Supertech glass machinery	1.00	275.00	275.00	180 days
2.	November 09, 2024	FRANCESCA 16M 1250 H.O. Numerically controlled (nc) drilling and milling center Quotation No: 2400273602	Biesse India Private Limited	1.00	275.00	275.00	90 days
3.	November 09, 2024	GENIUS 61 CT-NEXT T Cutting table Quotation No. 2400273601	Biesse India Private Limited	1.00	60.00	60.00	90 days
4.	November 09, 2024	Glass size & thickness detection table, mini size 450x450mm, maxi checking size 5000x3000mm Quotation No. GLV240716AT	Guangdong Golive Machinery Technology Co., Ltd	1.00	21.10*	21.10	90 days
		Glass double edger machine, 24 spindles, high speed 1-20m/min, with 2 center support for big size glass size from 450 to 5000mm		1.00	50.64*	50.64	90 days
		L-shape automatic transfer table, mini size 450x450mm, maxi size is 5000x3000mm		1.00	21.10*	21.10	90 days
		Glass double edger machine,		1.00	46.42*	46.42	90 days

Sr. no.	Date of quotation	Description & quotation reference number	Vendor	Unit / quantity	Amount per unit / quantity (₹ in lakhs)	Total amount (₹ in lakhs)	Validity
		24 spindles, high speed 1-20m/min, with 1 center support for big size glass size from 300 to 3000mm					
5.	November 09, 2024	Glass Washing and Drying Machine for low-e QX30L12-HD  Quotation no.: 20240716010	Shenzhen Handong Glass Equipment Manufacturing Co, Ltd	1.00	23.63*	23.63	90 days
6.	July 08, 2024	LBP3000Q Insulating Glass Machine (Filling Gas 4 Meters, Double Press 5 Meters)  Quotation no.: ZTD-080702	Shandong Boke Cnc Equipment Co. Ltd	1.00	64.99*	64.99	180 days
		DJJ06 Butyl Coating Machine		1.00	5.49*	5.49	
		ZLZW02 Aluminum Spacer Bending Machine		1.00	11.39*	11.39	
		ZFGJ-02 Automatic Desiccant Filling Machine		1.00	4.64*	4.64	
		CMJ-02 Vertical Film Removing Machine 3meters*5meters		1.00	32.07*	32.07	
		ZDJ-V30 Sealing Robot		1.00	40.51*	40.51	
		SDQ-III Two-Component Sealant Extruder		1.00	5.32*	5.32	
		XZT01 Rotating Table		1.00	0.68*	0.68	
		ZQJ-II Intelligent Argon Gas Filler		1.00	1.39*	1.39	
		LQJ02 Aluminum Spacer Cut Saw		1.00	0.68*	0.68	
		Hydraulic Lift		1.00	1.01*	1.01	
		Manual Coating Removing Machine		1.00	1.27*	1.27	
7.	July 16, 2024	LT-6133-D4 Jumbo size Loading Table (Double sides four stations) LT-6133-D4  Quotation No.: ATG-		Hong Kong Humam Intelligent Machine Co., Limited	1.00	18.57*	

Sr. no.	Date of quotation	Description & quotation reference number	Vendor	Unit / quantity	Amount per unit / quantity (₹ in lakhs)	Total amount (₹ in lakhs)	Validity
		HUMAM20240716					
		BT-6135 Breaking table BT-6135		1.00	5.91*	5.91	
<b>Total</b>						<b>966.81</b>	

\*USD Rate: ₹ 84.40 for \$ 1 is taken from [www.xe.com](http://www.xe.com) on November 14, 2024

Notes:

- The actual cost of procurement and actual supplier/dealer may vary.
- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The above costs is excluding taxes such as GST, TCS, Import duty etc.
- We are not acquiring any second-hand machinery.
- All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment's or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment's) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment's or utilities as required. Furthermore, if any surplus / deficit of the proceeds for meeting the total cost of machineries shall be used / adjusted in General Corporate Purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- The order for 100% of equipment's having basic value of ₹ 966.81 lakhs are yet to be placed. Placing the order will require the company to pay the taxes related to the order, certain advance payment and commitment for balance payment.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Any extra cost above the cost mentioned would be met out of our internal accruals.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the machinery and material at the same costs. The quantity of the machinery and material to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery according to the business requirements which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Above quotations are very short duration quotation and are used only for the purpose of price estimation. The above prices are subject to change without any notice and final applicable prices will be as per prevailing prices at the time of invoicing of machinery. Our Management does not have any intention of purchasing the above-mentioned proposed machinery as second-hand machinery.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above. If the Net Proceeds are insufficient to the extent required for purchase of plant and machinery and/or other any material required for setting up the manufacturing unit, such excessive amount shall be met from our internal accruals and/ or from borrowing from banks/ financial institutions.

Our company has two factory unit viz., Unit-1 – Doing commercial production since FY 2016 and Unit -2 – Doing commercial production from FY 2023, our both units are fully operational and run in a single shift, because earlier we do not have any backup plant if any kind of breakdown in Unit-I but now we have both units operational so we are planning to shift production under multiple shifts.

At present we are running single shift production at both the units. Our machinery utilisation schedule will depend upon availability of raw material i.e. float glass from various float glass manufacturers depend upon its technical specifications and all such technical specification will vary according to customer demands and accepting our terms and conditions. It is our endeavour to use the production facility at Unit-1 to its installed capacity during the FY 2024-25 as our company is planning to use the capacity of the same plant with middle scale and lower scale projects under multiple shifts of

timings and convert the retail as well as short duration projects rapidly. In same manner at Unit-II our production capacity will fully utilise in F.Y. 2024-2025 as we planned to use the production capacity of said plant with dedicated projects which will be mainly large-scale projects and run the plant 24 X 7 accordingly, and with this change the supply time will reduce and project will complete in shorter duration compare with current scenario.

## II. REPAYMENT OF CERTAIN BORROWINGS

Our Company has entered into various financing arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company includes borrowing in the form of, inter alia, short term loans, GECL and overdraft facilities, term loans amongst others. As at September 30, 2024, the total outstanding indebtedness was ₹ 3,055.39 Lakhs (included secured and unsecured borrowings). For details on the same, please refer to “**Financial Indebtedness**” beginning on page 174 this Red Herring Prospectus.

Our Company proposes to utilize approximately ₹ 600.00 Lakhs from the Net Proceeds of the Issue towards full or partial repayment or pre-payment of certain of such outstanding borrowings availed by our Company. Our Company may from time to time, repay, refinance, enter into further financing arrangements and/or draw down further funds under existing loans from time to time. Therefore, our Company may choose to repay or pre-pay or part prepayment certain borrowings, other than those identified in the table below, which may include additional borrowings availed after the filing of this Red Herring Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment and/or prepayment, in part or full, of certain borrowings, would not exceed ₹ 600.00 Lakhs. In light of the above, at the time of filing the Prospectus, the table below shall be suitably updated to reflect the revised amounts or additional loans, as the case may be.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs and enable utilisation of our internal accruals for further investment in the growth and expansion of our business. Such reduction of our outstanding indebtedness will also help us to improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides details of outstanding borrowings availed by our Company, which we have identified to repay or prepay, in full or in part, from the Net Proceeds:

Sr. No.	Name of the Lender	Sanction Number	Date of the Loan	Nature of Loan	Purpose	Amount Sanctioned	Rate of Interest	Tenor and repayment schedule	Prepayment terms / Penalty	Amount outstanding as at	
										September 30, 2024	October 31, 2024
1.	AU Small Finance Bank Limited	AUSFB/FY23-24/Business Banking-Rajasthan1/SLR-21376	February 22, 2024	Term Loan	Business Purpose	303.95	10.25%	Max 80 months	As prevailing at the date of prepayment	293.12	279.44*
2.	AU Small Finance Bank Limited	AUSFB/FY23-24/Business Banking-Rajasthan1/SLR-21376	February 22, 2024	Dropline Overdraft	Business Purpose	321.20	10.25%	Max 95 months	As prevailing at the date of prepayment	282.38	277.87*

\*excluding foreclosure charges.

In accordance with Clause 9(A) (2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated November 12, 2024 from the Statutory Auditors Jethani & Associates, Chartered Accounts (ICAI Firm Registration No.: 010749C) (UDIN: 24400485BKACQE9426), certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed by us. For further details, see “**Financial Indebtedness**” on page 174 of this Red Herring Prospectus.

In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties and other related costs shall be made from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such prepayment penalties, such excessive amount shall be met from our internal accruals.

No portion of the Net Proceeds, that will be utilised for repayment / prepayment, in full or part, of certain borrowings availed by our Company, will be directly or indirectly routed to our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management or Group Companies.

## III. TO MEET INCREMENTAL WORKING CAPITAL REQUIREMENTS

Currently, we fund our working capital requirements in the ordinary course of our business through bank finances and internal accruals. The details of our Company’s working capital requirement based on Restated Financials Information

for March 31, 2022, March 31,2023, March 31, 2024, September 30, 2024, March 31,2025 (Projected) and March 31,2026 (Projected) are as follows:

(₹ in lakhs)

Particulars	March 31, 2022 (Actual)	March 31, 2023 (Actual)	March 31, 2024 (Actual)	September 30, 2024 (Actual)	March 31, 2025 (Projected)	March 31, 2026 (Projected)
Current Assets (A)	1,824.76	2,244.80	2,839.31	3,060.23	7,717.83	8,617.37
Inventories	844.78	973.42	1,492.53	1,454.54	1,664.00	2,470.00
Investments	-	-	-	-	-	-
Trade receivables	749.98	896.89	1,072.54	1,271.79	1,800.00	2,400.00
Cash and cash equivalents (C)	9.85	197.94	31.89	35.44	3,371.83	2,367.37
Short term loans and advances	217.71	173.72	240.09	295.59	242.00	300.00
Other financial assets	-	-	-	-	-	-
Current tax assets (Net)	-	-	-	-	-	200.00
Other current assets	2.44	2.83	2.26	2.87	640.00	880.00
Current Liabilities (B)	249.18	290.14	576.49	525.02	584.23	773.15
Trade payables	122.57	151.70	176.83	269.54	125.00	250.00
Other financial liabilities	-	-	-	-	-	-
Other current liabilities	97.97	83.44	91.27	107.19	120.00	150.00
Provisions	28.64	55.00	308.39	148.29	339.23	373.15
Current tax liabilities (Net)	-	-	-	-	-	-
Total Working Capital Requirement(A-B-C)	1,565.73	1,756.72	2,230.93	2,535.21	3,761.77	5,476.85
Funding Pattern						
Funding from Banks / Financial Institutions	1,021.78	1,045.68	1,327.57	1,463.58	1,361.77	3,026.85
Internal Accruals	543.95	711.04	903.36	1,071.63	1,400.00	950.00
IPO Proceeds	-	-	-	-	1,000.00	1,500.00

#### Other Current Assets

The other current asset envisaged while plotting the business projections in the FY 2025 and FY 2026 is shown as ₹ 6.40 crores and ₹ 8.80 crores was shown as Advance to suppliers for the purchase of the raw material as required for the production in order to get preferred beneficial pricing from the suppliers as the Company would have optimal resources after the Issue.

#### Current tax assets (Net)

We hereby clarify that the Company had envisaged while plotting the business projections to pay the advance tax for FY 2026 as a result of the anticipated cashflow that will be generated and the same is reflected under Current tax assets (Net) that the advance tax paid by the company for the FY 2026 is ₹ 2.00 crores along with the provision of ₹ 373.15 lakhs which is in line with the anticipated profit that the company is forecasting to earn. Further, the Company has created the provision of ₹ 339.23 lakhs in FY 2025 for the tax to be paid and not shown in Current tax assets (Net) as the Company has planned the optimal utilization of the cash flows considering the business projections as generally in the glass industry the business is better in the H2 vis-à-vis H1 of a Financial Year.

As part of our expansion plan to produce toughened glass, we are investing in a new plant and machinery, specifically a Glass Tempering Unit, which will increase our capacity by 1.08 million SQMT per year. To optimize entire capacity, we will need additional working capital to procure the necessary raw materials and ensure smooth operations.

The business model of our company predominantly revolves around project-based business. The project base business requires us to procure the raw material for the entire project requirement and utilize those raw materials over the period



of the project which indicatively ranges from 8 to 12 months. Considering this, we would have a requirement of the additional working capital.

Currently, our Company operates both units on a single-shift basis due to the limitation of the working Capital. The scheduling of our machinery utilization depends on the availability of float glass, which varies in technical specifications based on customer requirements and our terms and conditions. Further, additional working capital will help the company in fulfilling the multiple projects simultaneously once the company operates above multiple shifts which will lead to efficient use of the resources.

For FY 25 and going forward, we plan to optimally utilize the production capacity at Unit-1 by transitioning to multiple shifts. This will allow us to efficiently handle middle and lower-scale projects, including retail and short-duration projects. Concurrently, Unit-2 will be dedicated to large-scale projects, operating across multiple shifts to optimally utilize its capacity. This approach will reduce average project delivery timelines and improve efficiency compared to the current setup.

As we focus on large-scale, long-duration projects with low volume but high margins, we will need to maintain higher inventory levels and advance payment to creditors throughout the production cycle to ensure smooth commercial operations.

In view of the above, additional working capital will be required across inventories, receivables and payables to meet the envisaged growth plans of the Company.

**Please find below justification for increase in working capital**

**For FY 2023 as compared to FY2022.**

Working Capital requirement was 1,565.73 lakhs and 1,756.72 lakhs for FY 2022 and 2023 respectively. The increase in working capital was because of increase in Trade receivable days because of increase in sales. Further, the increase in sales was due to the expansion of the product line i.e. Lamination plant in unit - II of the company. The Laminated Glass also requires toughened glass as its raw material, thus the company is required to maintain higher levels of inventory to ensure the uninterrupted production and sales. Company, generally maintains the inventory level of around 130-140 days normally to cater to the demand. During FY 2022 and 2023, the company was into the traditional sales of the toughened glass where the requirement to store the inventory is not on the higher side and also the margin are on the lower side. The trade receivables of the company has also increased as the company started accepting the long duration of the projects.

**For FY 2024 as compared to FY 2023.**

Working Capital requirement was 1,756.72 lakhs in FY 2023 which increased to 2,230.93 lakhs. The increase in working was because of the increase in inventory and trade receivables of the company. Previously, the company was not required to maintain high level of inventory as most of the orders were either short term or of lower scale. As the company started accepting the longer duration order, the company is required to maintain high level of inventory. Further, the company is looking forward to expand its supply and market geographical area further into tier 2 and tier 3 cities of India and also shift the production cycles under multiple shifts under both operation units which will further add into the requirement of working capital. Our company needs to purchase the raw material from the supplier in bulk and store as the production of single type of glass happens only for specific period during the year to increase the revenue and profitability. In the FY 2024, company revamped the business strategy to focus on enhanced product mix i.e. glasses with better margins along with focus on prompt payments to suppliers, prompt supply to stage-wise completion of projects. The Company is working on the upgrading demand of laminated glass in bigger projects, timely deliveries and faster recoveries upon project completion. In view of the above the Company is expecting a sustainable growth in the business with improved margin.

***Basis of estimation of working capital***

The incremental working capital requirements of ₹ 2,500.00 lakhs are based on the business plan approved by the board of directors in the board meeting held on July 13, 2024. Accordingly, we have estimated relative increase in Margin Money, Trade Receivables, Other financial / current assets and decrease in trade payables and other current liabilities.

**Working capital requirement for FY25 and FY26**

The Net Working capital requirements for the FY 2025 (Projected) and FY 2026 (Projected) are estimated to be ₹ 3,761.77 Lakhs and 5,476.85 Lakhs respectively.

Assumption for future working capital requirements considering holding periods based on Restated Financial Statements:

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	September 30, 2024	Fiscal 2025 (P)	Fiscal 2026 (P)	Justification for Holding period
<b>Current Assets</b>							
Inventories	130	121	251	148	143	99	<p>Holding period level (in days) of Inventories is calculated by dividing average inventories by cost of goods sold multiplied by number of days in the year/period.</p> <p>The inventory days of the company were 130, 121, 251 and 148 days in FY 2022, FY 2023, FY 2024 and September 30, 2024 respectively. The company expects the inventory days to come down to 143 days and 99 days in FY 2025 and FY 2026.</p> <p>In FY 2024, the Company started taking up projects on end-to-end basis where margin are slightly on the higher side. In case of bigger project, we need to put up inventory because of the requirement of similar quality of material in a single project. Supply made towards project is as and when the requirement is received. Therefore, we have such high inventory turnover ratio. Over the period, our company expects the inventory holding days to come down because of increase in sales considering the execution of larger projects leading to optimal churn of inventory on an average.</p>
Trade Receivables	71	74	89	96	77	68	<p>Trade receivable days is calculated by dividing average trade receivables by revenue from operations multiplied by number of days in the year/period.</p> <p>The trade receivable days of the company were 71, 74, 89 and 96 in FY 2022, FY 2023, FY 2024 and September 30, 2024 respectively. The company expects the trade receivable days to be 77 days and 68 days in FY 2025 and FY 2026.</p> <p>During the years FY 22, FY 23 and FY 24, the Company was focusing more on acquiring new customers wherein they could supply value added products with the competitive pricing with sustainable credit period of upto 90 days. The Company now expects the average trade receivable days to stay anywhere between 70-75 days. As a part of strategy, the company started acquiring bigger projects which will help increase the profitability along with the stable receivables cycle of ~70-75 days.</p>
<b>Current Liabilities</b>							

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	September 30, 2024	Fiscal 2025 (P)	Fiscal 2026 (P)	Justification for Holding period
Trade Payables	39	19	29	38	13	9	<p>Trade payable days is calculated by dividing average trade payables by purchase of raw material multiplied by number of days in the year/period.</p> <p>The trade payable days of the company were 39, 19 and 29 and 38 days for FY 2022, FY 2023, FY 2024 and September 30, 2024. The company expects its trade payable days to come down further to 13 days in FY 2025 and 9 days in FY 2026.</p> <p>Company have limited suppliers as structural cost to set up a glass manufacturing unit is huge. As we acquire glass from manufacturers with whom we have tie up, we get discounts on bulk orders and a separate cash discount schemes from time-to-time basis. The repayment of the trade payables have the direct effect on the profitability of our Company because the advance payment or the payment in short duration to suppliers will result in trade/cash discount of around 2% to 5% which shall directly contribute to the gross margin of the business. As a result of which, our Company prefers to pay the amount to suppliers in shorter duration to increase the profitability.</p>

Pursuant to the certificate dated November 12, 2024, Jethani & Associates, Chartered Accountants, have verified the working capital requirements for the six months period ended September 30, 2024 and financial year ended March 31, 2024, 2023 and 2022 from the Restated Financial Information and working capital estimates for the March 31, 2025 and March 31, 2026 as approved by the Board pursuant to its resolution dated July 13, 2024.

#### IV. GENERAL CORPORATE EXPENSES

Our Company proposes to deploy the balance proceeds, aggregating to ₹ [●] lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise net proceeds include, business development initiatives, meeting any expense including salaries, rent, administration costs, insurance premiums, repairs and maintenance, payment of taxes and duties, and similar other expenses incurred in the ordinary course of our business or towards any exigencies. The quantum of utilisation of funds towards each of the above purposes will be determined by our board, based on the amount available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the net proceeds towards other purposes considered expedient and as approved periodically by our board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of net proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. If we are unable to utilize the entire amount that we have currently estimated for use out of net proceeds in a financial year, we will utilize such unutilized amount in the subsequent financial years.

#### V. TO MEET THE EXPENSES OF THE ISSUE

The total expenses of the Issue are estimated to be approximately ₹ [●] lacs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses	Estimated expenses <sup>(1)</sup> (in ₹ Lakhs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
Issue management fees including fees and reimbursements of Market Making fees and payment to other Intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	[●]	[●]	[●]
Marketing and Selling Commission and expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- SEBI and NSE processing fees	[●]	[●]	[●]
- Book Building software fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

The fund deployed towards issue expenses is ₹ 10.37 lakhs of pursuant to certificate issued by our Statutory & Peer Review Auditors M/s Jethani & Associates, Chartered Accountants dated November 12, 2024 and the same will be recouped out of issue expenses.

\*Please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.

Notes:

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

Portion for Retail Individual Bidders	0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted
Portion for Non-Institutional Bidders	
Portion for QIB	

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

2. No additional processing fees shall be payable 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 NSE.

3. Processing fees payable to the SCSBs of ₹ 1.00 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees procured by the Syndicate Member / Sub-Syndicate Members / Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds ₹ 1.00 lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹ 1.00 lakhs.

**4. For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs**

Brokerages, selling commission and processing / uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders and Eligible Employees which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted
Portion for Non-Institutional Bidders	
Portion for QIB	

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

5. The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate

*Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub- Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub- Syndicate Member.*

6. *The payment of selling commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.*
7. *The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.*
8. *Uploading charges / processing charges of Rs. 1.00 valid application (plus applicable taxes) is applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: for applications made by Retail Individual Investors using the UPI Mechanism. In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs).*
9. *Uploading charges / processing charges of Rs. 1.00 valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs.*
10. *The Bidding / uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.*

#### **11. For Registered Brokers:**

*Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:*

<i>Portion for Retail Individual Bidders and Non-Institutional Bidders</i>	<i>0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted</i>
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*\*Based on valid applications.*

#### **12. For Sponsor Bank:**

*Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be Nil up to 40,000 UPI applications. On and above 40,000 UPI applications would be charges ₹ 6 + GST per UPI. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI Circulars, the Syndicate Agreement and other applicable laws.*

*\* For each valid application*

#### **Interim use of Net Proceeds**

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **Bridge Financing Facilities**

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

#### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed ₹ 10,000 Lakhs, the appointment of Monitoring Agency would not be required as

per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring 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.

### **Variation in Objects**

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

### **Other confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors, our Key Management Personnel or our Group Company. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Management Personnel or our Group Company.

Further, pursuant to the issue, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes and none of our Promoters, Promoter Group, Group Companies of our Company, as applicable, shall receive a part of or whole Net Proceeds directly or indirectly.

## **BASIS FOR ISSUE PRICE**

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares issued through the book building process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on pages 28, 172, 178 and 113 respectively, of this Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### ***Qualitative Factors***

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

1. Continue to invest in infrastructure
2. Expand our current business relationships
3. Focus on consistently meeting quality standards
4. Improving operational efficiencies
5. Strong brand presence in Indian Market
6. A combination of experience and expertise
7. Long Standing Relationship with our customers
8. Consistent focus on quality
9. Strong Risk Management

### ***Quantitative Factors (Based on Restated Financial Statements)***

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

<b>Period</b>	<b>Basic and Diluted EPS (In ₹)</b>	<b>Weights</b>
Fiscal 2022	0.42	1
Fiscal 2023	0.82	2
Fiscal 2024	7.31	3
<b>Weighted Average</b>	<b>4.00</b>	
<b>Period ended September 30, 2024*</b>	<b>3.82</b>	

\*Not Annualised

#### ***Notes:***

- a. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year /Total of weights.
- b. Basic and diluted EPS are based on the Restated Financial Statements.
- c. The face value of each Equity Share is ₹10/-.
- d. Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares during the respective year/period.;
- e. The figures disclosed above are based on the Restated Financial Statements.

#### **2. Price/Earning (P/E) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:**

<b>Particulars</b>	<b>P/E at the Floor Price (number of times)*</b>	<b>P/E at the Cap Price (number of times)*</b>
P/E ratio based on Basic EPS for Financial Year 2023	[●]	[●]
P/E ratio based on Diluted EPS for Financial Year 2023	[●]	[●]

\*To be updated at Prospectus stage.

Note: Price / earning (P/E) ratio is computed by dividing the price per share by earnings per share

### Industry Peer Group P/E ratio

Particulars	Industry P/E (Number of times)
Industry	
Highest	150.19*
Lowest	71.21*
Average	110.70

\*Not annualised

Notes:

- The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P / E of the industry peer set disclosed in this section.
- P/E Ratio has been computed based on the closing market price of equity shares on the BSE website on July 19, 2024 divided by the Diluted EPS for the period ended September 30, 2024.

All the financial information for listed industry peers mentioned above is sourced from the Annual Report of the relevant companies for Fiscal 2024, as available on the websites of the Stock Exchanges.

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

Period	Return on Net Worth (%)*	Weights
Fiscal 2022	7.54	1
Fiscal 2023	12.72	2
Fiscal 2024	53.26	3
<b>Weighted Average</b>	<b>32.13</b>	
<b>Period ended September 30, 2024**</b>	<b>21.77</b>	

\*Source: Restated Financial Statements

\*\*Not Annualised

Notes:

- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights.
- The figures disclosed above are based on the Restated Financial Statements of our Company.
- Return on Net Worth (%) = Restated Profit/(loss) attributable to owners of the holding company/ net worth at the end of the year/ period.
- Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the Company, excluding non-controlling interest)

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

Particulars	NAV (in ₹)
As on September 30, 2024	17.56
After completion of the Issue	
(i) At Floor Price	[•]
(ii) At Cap Price	[•]
<b>Issue Price per equity share</b>	<b>[•]</b>

Note: Net Asset Value per Equity Share is calculated as total equity divided by weighted average number of equity shares outstanding during the respective year/period.

### 5. Peer Competitors - Comparison of Accounting Ratios:

Our company in the business of manufacturing toughen glass. Accordingly, considering the nature, range of products, turnover and size of business of our Company, the peer is not strictly comparable. However, the below mentioned listed company in the glass businesses have been taken into consideration as peer comparative listed company and has been included for broad comparison only:



Name of the Company	For the period ended September 30, 2024						
	Face value (₹)	Revenue from operations (₹ in Lakhs) <sup>(1)</sup>	Basic EPS	Diluted EPS	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
			(₹)	(₹)			
Agarwal Toughened Glass India Limited**	10	2,228.72	3.82	3.82	-	21.77	17.56
<b>Peer Group</b>							
Sejal Glass Limited	10	11,432.11	3.77*	3.77*	150.19*	14.44*	32.31
Borosil Limited	1	49,070.09	2.36*	2.36*	71.21*	3.64*	63.46

\*Not Annualised

Source: All the financial information for listed industry peers mentioned above is on a Consolidated basis sourced from the Annual Reports of the peer company or their financial results uploaded on the BSE website for the year ended September 30, 2024.

Notes:

- P/E Ratio has been computed based on the closing market price of equity shares on the BSE on November 18, 2024 divided by the Diluted EPS of September 30, 2024.
- RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
- NAV is computed as the closing net worth divided by the weighted average number of equity shares.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 28, 113, 178 and 172, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

## 6. Key Operational and Financial Performance Indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA (₹ Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit after Tax (₹ Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company’s financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.

KPI	Explanations
Return on Capital employed (RoCE) (%)	It is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 13, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by Jethani & Associates, by their certificate dated July 15, 2024.

Financial Metrics	Period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue From operations (₹ in Lakhs)	2,228.72	3,832.78	3,995.03	3,340.94
Total revenue (₹ in Lakhs)	2,349.73	4,050.26	4,060.32	3,471.99
EBITDA (₹ in Lakhs)	697.50	1,371.01	474.90	359.86
EBITDA Margin (%)	31.30	35.77	11.89	10.77
Profit after tax (₹ in Lakhs)	453.92	868.52	96.97	50.18
PAT Margin (%)	20.37	22.66	2.43	1.50
Return on Equity (ROE) (%)	21.77	72.59	13.59	7.93
Debt To Equity Ratio	1.47	1.81	3.95	4.07
Interest Coverage Ratio	5.08	5.03	2.05	1.63
Return on Capital Employed (ROCE) (%)	19.78	31.34	9.73	8.14
Current Ratio	1.35	1.28	1.34	1.36
Net Capital Turnover Ratio	2.81	1.60	1.89	2.74

**Notes:**

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. EBITDA excludes other income but includes reversal of provision of doubtful debts.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.
- Return on equity (RoE) is equal to profit after tax for the year divided by the total equity during that period and is expressed as a percentage.
- Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).
- Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by interest cost payment.
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).

See "Management Discussion and Analysis of Financial Position and Results of Operations" on page 178 for the reconciliation and the manner of calculation of our key financial performance indicators.

**7. Comparison of financial KPIs of our Company and our listed peer.**

Metric	AGARWAL TOUGHENED GLASS INDIA LIMITED				SEJAL GLASS LIMITED			
	For period ended	As of and for the Fiscal			For period ended	As of and for the Fiscal		
	September 30, 2024	2024	2023	2022	September 30, 2024	2024	2023	2022
Revenue From operations (₹ in Lakhs)	2,228.72	3,832.78	3,995.03	3,340.94	11,432.11	16,379.93	4,642.72	2,432.78
Total revenue (₹ in Lakhs)	2,349.73	4,050.26	4,060.32	3,471.99	11,495.11	16,472.92	4,660.31	2,449.77
EBITDA (₹ in Lakhs)	697.50	1,371.01	474.90	359.86	1,541.15	2,054.23	276.88	(109.66)
EBITDA Margin (%)	31.30%	35.77%	11.89%	10.77%	13.48%	12.54%	5.96%	(4.51%)
Profit after tax (₹ in Lakhs)	453.92	868.52	96.97	50.18	426.95	333.31	(25.31)	(322.18)
PAT Margin (%)	20.37%	22.66%	2.43%	1.50%	3.73%	2.03%	(0.55%)	(13.24%)
Return on Equity (ROE) (%)	24.43%	72.59%	13.59%	7.93%	16.03	15.46%	(2.51%)	(52%)
Debt To Equity Ratio	1.49	1.81	3.95	4.07	2.68	4.82	2.23	5.40
Interest Coverage Ratio	4.46	5.03	2.05	1.63	1.52	1.27	0.89	(2.06)
Return on Capital Employed (ROCE) (%)	11.94%	31.34%	9.73%	8.14%	15.52%	7.76%	3.98%	(6%)
Current Ratio	1.35	1.28	1.34	1.36	1.12	1.56	0.59	0.28
Net Capital Turnover Ratio	0.80	1.60	1.89	2.74	37.03	4.78	(3.81)	(0.91)

Metric	AGARWAL TOUGHENED GLASS INDIA LIMITED				BOROSIL LIMITED			
	As of and for the Fiscal				As of and for the Fiscal			
	September 30, 2024	2024	2023	2022	September 30, 2024	2024	2023	2022
Revenue From operations (₹ in Lakhs)	2,228.72	3,832.78	3,995.03	3,340.94	49,070.09	94,225.18	1,02,712.13	83,986.16
Total revenue (₹ in Lakhs)	2,349.73	4,050.26	4,060.32	3,471.99	50,783.47	96,005.98	1,05,191.10	86,443.64

Metric	AGARWAL TOUGHENED GLASS INDIA LIMITED				BOROSIL LIMITED			
	As of and for the Fiscal				As of and for the Fiscal			
	September 30, 2024	2024	2023	2022	September 30, 2024	2024	2023	2022
EBITDA (₹ in Lakhs)	697.50	1,371.01	474.90	359.86	6,974.43	15,051.35	12,633.98	14,360.07
EBITDA Margin (%)	31.30%	35.77%	11.89%	10.77%	14.21%	15.97%	12.30%	17.10%
Profit after tax (₹ in Lakhs)	453.92	868.52	96.97	50.18	2,761.22	8,783.42	9,020.67	8,523.05
PAT Margin (%)	20.37%	22.66%	2.43%	1.50%	5.63%	9.32%	8.78%	10.15%
Return on Equity (ROE) (%)	24.43%	72.59%	13.59%	7.93%	3.64%	11.36%	10.25%	10.88%
Debt To Equity Ratio	1.49	1.81	3.95	4.07	0.11	0.27	0.11	-
Interest Coverage Ratio	4.46	5.03	2.05	1.63	5.68	11.02	46.73	120.34
Return on Capital Employed (ROCE) (%)	11.94%	31.34%	9.73%	8.14%	5.58%	13.90	11.59%	16.62%
Current Ratio	1.35	1.28	1.34	1.36	1.54	1.18	2.26	3.75
Net Capital Turnover Ratio	0.80	1.60	1.89	2.74	2.69	13.39	3.30	2.05

**Notes:**

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchase of Traded goods, Changes in inventories of finished goods and work-in-progress.
- Gross margin refers to gross profit as a % of total revenues earned during a financial year.
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. EBITDA excludes other income but includes reversal of provision of doubtful debts.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.
- Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).
- Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing cash profit after tax plus interest payment by interest payment.
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- Return on Net Worth (RoNW) is a measure of profitability (expressed in percentage) and is defined as net profit after tax attributable to our equity shareholders divided by our Net Worth (total shareholders' equity) for the year. "Net Worth" is defined as the aggregate of share capital and other equity.

\*\* All the information for listed industry peer mentioned above is on a consolidated basis and is sourced from their respective audited financial results and/or annual report.

## 8. Weighted average cost of acquisition

### a) Primary Transactions:

There have been no primary / new issue of shares, excluding issuance of bonus shares, during the 18 months preceding the date of filing of the DRHP / RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer 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 rolling 30 days;

**b) Secondary Acquisition:**

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

c) Since there are no such transactions to report to under (a) & (b) therefore, information based on last five secondary transactions (secondary transactions where our Promoters / members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities*	Nature of Securities	Face value of Securities	Price of securities (₹)	Nature of transaction	Nature of consideration	Total Consideration
June 23, 2023	Rajendra Jaga	Mayur Agarwal	20,000	Equity	10	10	Transferred	Cash	2,00,000
July 11, 2023	Dharmendra Singh	Mayur Agarwal	30,000	Equity	10	10	Transferred	Cash	3,00,000
July 11, 2023	Ishwar Lal Saini	Mayur Agarwal	25,000	Equity	10	10	Transferred	Cash	2,50,000
September 07, 2023	Makkhanlal Agarwal	Palak Agarwal	20,000	Equity	10	NA	Gift	Other than Cash	NIL
September 07, 2023	Rajesh Agarwal	Palak Agarwal	40,000	Equity	10	NA	Gift	Other than Cash	NIL
<b>Total</b>			<b>1,35,000</b>						<b>7,50,000</b>
<b>Weighted Average Cost of Acquisition per share</b>									<b>5.56</b>

**Weighted average cost of acquisition, Floor Price and Cap Price**

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of Equity Shares as compared with the Floor Price and Cap Price is set forth below:

Past Transactions	Weighted average cost of acquisition	Floor Price	Cap Price
	(₹)	₹ [●]	₹ [●]
Weighted average cost of acquisition (WACA) of primary issuances	NA	[●]	[●]
Weighted average cost of acquisition (WACA) of secondary transactions	NA	[●]	[●]
Weighted average cost of acquisition (WACA) of last 5 primary transactions*	NA	[●]	[●]
Weighted average cost of acquisition (WACA) of last 5 secondary transactions	5.56	[●]	[●]

\*Since there are no primary transactions in last 3 years except bonus.

**9. Justification for Basis of Issue Price**

Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for the six month period ended on September 30, 2024 and financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022.

[●]\*

\*To be included upon finalization of Price Band

**10. The Issue Price is [●] times of the Face Value of the Equity Shares.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management Discussion and Analysis of Financial Position and Results of Operations*” and “*Financial Information*” on pages 28, 113, 178 and 172, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

**Date: November 12, 2024**

**To**  
**The Board of Directors**  
**Agarwal Toughened Glass India Limited**  
F-2264, Riico Industrial Area,  
Ramchandrapura, Sitapur (Ext.),  
Jaipur - 302 022, Rajasthan, India.

Dear Sir,

**Sub: Statement of possible special tax benefits (“the Statement”) available to Agarwal Toughened Glass India Limited and its shareholders is prepared in accordance with Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

Dear Sir/ Madam,

We hereby report that this certificate along with the annexure (hereinafter referred to as “The Statement”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2020 (i.e. applicable to F.Y. 2023-24 relevant to A.Y. 2024-25) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initiated for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions which based on business imperatives which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed public issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

The contents of this annexure 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 and the provisions of the tax laws.

Our views are based on facts indicated to us, the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any such events subsequent, which may have a material effect on the discussions herein. Our views are exclusively for the limited use of the captioned Company in connection with its proposed public issue referred to herein above and shall not, without our prior written consent, be disclosed to any other person.

We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Offer Document in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For M/S. JETHANI & ASSOCIATES,  
Chartered Accountants  
ICAI Firm Registration No.: 010749C

**Sd/-**

Umesh Kumar Jethani

Partner

Membership No: 400485

Place: Jaipur

Date: 12.11.2024

UDIN: 24400485BKACPC4925



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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2023-24. 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 has availed entitlement certificate for subsidy under Rajasthan Investment Promotion Scheme – 2014 issued by Office of District Industries Centre, Jaipur (Urban) Government of Rajasthan. The maximum subsidy available to the Company amounts to Rs. 743.52 Lakhs. The Company has availed a sum of Rs. **355.69** Lakhs till September 30, 2024.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

#### Notes:

- 1) All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
- 2) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- 3) The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y. 2023-24 relevant to A.Y. 2024-25.
- 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 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.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*Unless noted otherwise, the information in this section is obtained or extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Restated Financial Statements” and related notes beginning on pages 28 and 172 of this Red Herring Prospectus.*

### **OVERVIEW OF GLOBAL ECONOMY**

#### ***A Waxing and Waning Outlook***

IMF staff projections are based on upward revisions to commodity prices, including a rise in nonfuel prices by 5 percent in 2024. Energy commodity prices are expected to fall by about 4.6 percent in 2024, less than projected in the April 2024 World Economic Outlook (“WEO”), reflecting elevated oil prices from deep cuts by OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters) and reduced, but still present, price pressure from the Middle East conflict. Monetary policy rates of major central banks are still expected to decline in the second half of 2024, with divergence in the pace of normalization reflecting varied inflation circumstances

The forecast for growth in emerging market and developing economies is revised upward; the projected increase is powered by stronger activity in Asia, particularly China and India. For China, the growth forecast is revised upward to 5 percent in 2024, primarily on account of a rebound in private consumption and strong exports in the first quarter. In 2025, GDP is projected to slow to 4.5 percent, and to continue to decelerate over the medium term to 3.3 percent by 2029, because of headwinds from aging and slowing productivity growth. The forecast for growth in India has also been revised upward, to 7.0 percent, this year, with the change reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas.

*Trade makes a recovery.* World trade growth is expected to recover to about 3¼ percent annually in 2024–25 (from quasi stagnation in 2023) and align with global GDP growth again. The uptick in the first quarter of this year is expected to moderate as manufacturing remains subdued. Although cross-border trade restrictions have surged, harming trade between geopolitically distant blocs, the global trade-to-GDP ratio is expected to remain stable in the projection.

#### ***Future-Proofing the Economy***

As output gaps start to close and inflation recedes, policymakers face two tasks: persevering with restoring price stability and addressing the legacies of recent crises, including replenishing lost buffers and durably uplifting growth. In the near term, this will require careful calibration and sequencing of the policy mix. In countries where upside risks to inflation—including those arising through external channels—have materialized, central banks should refrain from easing too early and remain open to further tightening should it become necessary. Where inflation data encouragingly signal a durable return to price stability, monetary policy easing should proceed gradually, which would simultaneously provide room for the required fiscal consolidation to take place. Fiscal slippages over the past year in some countries could require a stance significantly tighter than envisaged. As the space for fiscal maneuver narrows, commitments to achieving fiscal consolidation targets should be earnestly adhered to, aided by sound fiscal frameworks and resource mobilization (see Chapter 1 of the April 2024 Fiscal Monitor).

In emerging market and developing economies, recent policy divergences highlight the need to manage the risks of currency and capital flow volatility. Given that economic fundamentals remain the main factor in dollar appreciation, the appropriate response is to allow the exchange rate to adjust, while using monetary policy to keep inflation close to target. Foreign reserves should be used prudently and preserved to deal with potentially worse outflows in the future, in line

with the IMF's Integrated Policy Framework. To the extent possible, macroprudential policies should mitigate vulnerabilities from large exposures to foreign-currency-denominated debt. Near-term challenges aside, policymakers must act now to revitalize declining medium-term growth prospects. Striking differences in productivity trends across countries since the pandemic suggest that not all factors are cyclical and that decisive policy action is needed to enhance business dynamism and reduce resource misallocation to arrest weaknesses (see Chapter 3 of the April 2024 WEO). Further boosting labor supply, especially by better integrating women and immigrants—key segments contributing to economic resilience in advanced economies—will mitigate demographic pressures, adding to potential growth gains. While emigration of the young and educated population can take a toll on source countries, the costs can be mitigated. Policies that help leverage diaspora networks, maximize the benefits from remittances, and expand domestic labor market opportunities are

Overall, risks to the outlook remain balanced, as in the April 2024 WEO, but some near-term risks have gained prominence. These include upside risks to inflation that stem from a lack of progress on services disinflation and price pressures emanating from renewed trade or geopolitical tensions. Risks of persistent inflation in the services sector are tied to both wage and price setting, given that labor accounts for a high share of the costs in that sector. Higher nominal wage growth, which in some cases reflects the catch-up of real wages, if accompanied by weak productivity, could make it difficult for firms to moderate price increases, especially when profit margins are already squeezed. This could lead to further stickiness in wage and price inflation. The escalation of trade tensions could further raise near-term risks to inflation by increasing the cost of imported goods along the supply chain. Bumpiness along the remaining disinflation path could destabilize the return to price stability if short term expectations spike upward as a result of disappointing inflation data.

*Source: IMF (World Economic Outlook – July 2024 and World Economic Outlook – April 2024)*

## **OVERVIEW OF INDIAN ECONOMY**

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 ₹ 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of ₹ 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 commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

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.

### **Road Ahead**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to ₹10 lakh crore (US\$ 120.12 billion) over ₹ 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling 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 ₹ 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is ₹ 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. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

*Note: Conversion rate used for January 2024 is ₹1 = US\$ 0.012*

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

## **ASSESSMENT OF THE GLASS INDUSTRY**

Glass is an inorganic and transparent product produced by melting a mixture of silica sand, soda ash, limestone and other ingredients by heating the mixture at a very high temperatures and followed by gradual cooling. It differs in colour and density depending upon the addition of several other elements and oxides. Glass is used primarily in the construction sector and automobile sector. In the construction sector, glass is used in exteriors and interiors in residential commercial and industrial buildings, viz. Exteriors: Windows, doors, ventilators, lifts, skylights, curtain walling, structural glazing, owning e Interiors: Cabinets, table tops, shower cubicles, partitions, doors, counter tops, wall panelling etc. Mirrors are another major user of glass. The glass industry comprises four key segments — flat glass, container glass, fibre glass and specialty glass. Flat glass industry is divided into float glass, solar glass, figured glass and sheet glass.

Glass adopts many guises and almost every area of our lives involves products with glass at their heart: from transport to homes and workplaces, from food production to health, leisure activities and communications, from museums to art galleries. Supporting the industry behind these artefacts are academic institutions, professional societies, national laboratories, museums, libraries, journals and glass-themed art studios. All have contributed to making glass one of the most transformative materials in history

## **OVERVIEW OF FLOAT GLASS INDUSTRY**

Due to the COVID-19 pandemic, the global Float Glass market size is estimated to be worth US\$ 24180 million in 2022 and is forecast to a readjusted size of US\$ 32780 million by 2028 with a CAGR of 5.2% during the review period. Fully considering the economic change by this health crisis,

Float glass is produced in wide-ranging dimensions, and is available in sizes of 4 mm to 25 mm thickness. Apart from aesthetic utility, it serves functional utility such as privacy, energy conservation, safety, protection against fire, and noise insulation. Float glass is largely being used as a material in building and construction industry. It directly or indirectly competes with other building materials such as paints, plywood and laminates and ceramic tiles. Float glass is expected to be amongst the fastest growing building materials in India.

## **TYPES OF THE FLOAT GLASS**

**Clear glass:** Clear glass, is a transparent glass, which allows passage of light. Clear glass offers little protection from heat, fire, physical and chemical impact, and is typically used across various applications, such as windows, furniture, shelves, partitions, doors, bathroom cubicles, balconies, staircases and the front side of commercial shops. Clear glass is also used as a base for further processing of glass to give it desired functional properties.

**Value added glass:** Value added glass category includes tinted, mirror, reflective, lacquered, frosted and low e-glass. Manufacturing of value added glasses entail value added processes such as inclusion of additives or coating of clear glass.

**Tinted glass:** Glass is coloured or tinted by adding specific metallic oxides during the manufacturing process. These additives can colour the glass bronze, green, blue or gray in tints, without affecting its basic properties. Tinted glass is used for its aesthetic appeal across facades and partitions. Tinted glass is also manufactured as a combination of reflective and frosted glasses.

**Mirrored glass:** Mirrored glass is produced by applying an aluminium or silver coating on one side of the glass. Mirrored glass is typically used in residential and commercial building sectors in furniture and automotive applications.

**Reflective glass:** Reflective glass is glass with a thin layer of metallic or metallic-oxide coating on one side. Reflective coating is applied during the float process to enhance the amount of heat reflected by the glass. The coating absorbs and reflects the sun’s harmful ultraviolet and infrared rays, yet allows natural visible light to pass through, preventing excessive solar glare. It is typically used in doors and windows. Reflective glass is available as a coating on clear as well as tinted glass.

**Frosted glass:** Frosted glass allows the light to pass through at the same time obscuring the view. Frosted glass is manufactured by turning a clear glass translucent through the process of sandblasting or acid etching. It is used across applications, which demand privacy as well as aesthetics. Frosted glass is used for partitions, door cabinets, bathroom windows, writing boards, other interior decorative applications.

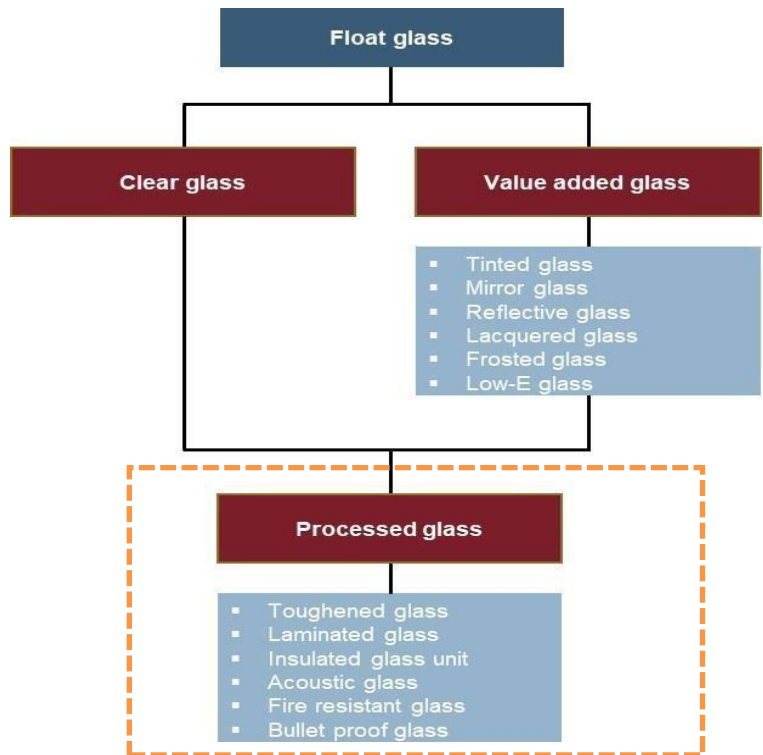
**Lacquered glass:** Lacquered glass, which is also known as back-painted glass, is manufactured by depositing and baking a lacquer coating on one side of the clear glass. The lacquer gives it a coloured and opaque appearance. The lacquered finish protects the glass from damage, making it highly durable.

**Low-E glass:** Low- E glass stands for low emissivity glass which is a type of float glass which has low emissivity coating that minimizes the amount of infrared and ultraviolet light that passes through the glass allowing natural sunlight to pass through to receive optimal daylight. Low-E glass allows users to get natural light protecting one from harmful radiation. It also serves as an insulation from outside weather. It keeps indoors cooler in summer and warmer in winter. Both light emitting and insulation property helps user conserve energy.

**Laminated glass:** Laminated glass is made by joining two or more layers of float glass sheets with an ‘interlayer’ made from poly vinyl butyral (“PVB”) or ethylene-vinyl acetate (“EVA”) between them. Lamination prevents glass from shattering when impacted and is often used for architectural or automotive applications.

**Toughened glass:** Toughened glass is 4-5 times stronger compared with clear glass. It is manufactured by heating the annealed lehr to 660<sup>0</sup> C to make it soft. Subsequently, the outer surfaces are cooled down rapidly, while the inner part is cooled slowly. Toughened glass can bear surface compression of over 10,000 pounds per square inch. Toughened glass is used in automotive applications, tabletops, wash basins, shelves, partitions and facades.

**Insulating glass unit (“IGU”):** Insulating glass unit (IGU), also referred to as double-glazing, consists of two or three glass panes separated by a spacer, with the gap between the glass panes filled with a noble gas. The air space in double



glazing systems acts as a thermal insulation layer that keeps the interiors cool during summers and warm during winters.

**Acoustic glass:** Acoustic glass is a laminated glass with a specialised PVB interlayer to dampen external sounds and to keep the interiors calm and quiet. This type of glass not only reduces majority of external noise but also offers desired aesthetics and durability.

**Fire-resistant glass:** Fire-resistant glass is a specialised glass designed to prevent the spread of flames and smoke. Fire-rated glass consists of multiple layers of specially coated glass with a transparent interlayer sandwiched in between.

**Bulletproof glass:** Bulletproof glass is made of multiple layers of laminated glass with a thickness of over 19 mm and layer(s) of transparent polycarbonate sandwiched in between. Bulletproof glass is used in buildings and is important from a security perspective; it is also used in military and diplomatic vehicles.

## FLOAT GLASS MARKET IN INDIA

The Indian float glass market is projected to grow at a CAGR of over 7.5% during the forecast period of 2024-2029. The growing focus on renewable energy is driving the demand for solar glass. Companies are investing in modernizing their manufacturing processes to improve efficiency and product quality. The Indian float glass market is consolidated with major players including Saint-Gobain, Asahi India Glass Limited, Gujarat Guardian Limited, Gold Plus Float Glass, and Şişecam.

Source: [Mordor Intel](#), [6Wresearch](#)

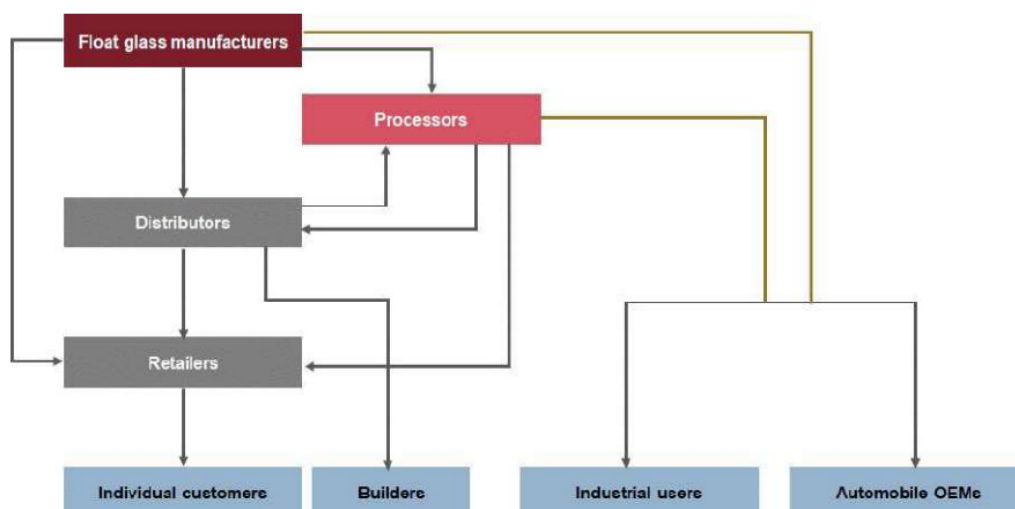
### *Float glass market capacity utilization*

The Indian float glass industry is set to expand its capacity by 65% over the current and next fiscal years. This expansion, involving investments between INR 7,200 to 7,500 crore, will increase the industry's total installed capacity from 8,700 to 13,600 tonnes per day (TPD). The capacity utilization of Indian float glass manufacturers has also improved significantly, currently around 90%, up from 75-80% two years ago.

The growth in demand for float glass is driven by several factors, including increased use in the building and construction industry, the automotive sector, and the rise in consumer preference for premium products. India's per capita consumption of float glass is approximately 2.5 kg, compared to 7-10 kg in developed countries, indicating significant growth potential. The float glass demand is expected to grow 10-12% this fiscal year in volume terms.

Source: [CRISIL Ratings](#), [AIS Glass](#)

### *Value Chain for the Float Glass Industry in India*



- **Float glass manufacturers:** Float glass manufacturers are typically engaged in the manufacturing of basic and semi-finished glass. They typically sell through distributors. Distributors sell basic and semi-finished glass through retailers to individual customers, developers and builders. It also sell glass to processors who manufacture different types of

processed glasses. Manufacturers faces a low sales concentration risk, due to a wide customer base ranging from processors, distributors and retailers.

- **Float glass processors:** Float glass processors procure basic or semi-finished glass from float glass manufacturers and manufacture value-added glasses, such as laminated, toughened, insulated gas units and acoustic glasses. The processed glass market is highly scattered in nature, as these entities are located closer to the end-customer markets, thereby catering to customers with tailormade offerings. Processed glass is sold directly to organised buyer segments (viz., white goods appliance manufacturers or automobile OEMs), distributors, retailers, individual customers and builders.
- **Distributors/ wholesalers:** Distributors/ wholesalers procure glass from float glass manufacturers and sell to retailers and processors. Distributors also procure processed glass from processors and further sell it to retailers. All the distributors are multi- brand distributors. Certain distributors also operate in the market as retailers and or processors.
- **Retailers:** Retailers typically procure from distributors and sell to builders / developers and individual customers. Large retailers also procure from distributors and processors. All the retailers are multi-brand retailers. Certain retailers also operate in the market as distributors. Since outbound freight is an important cost component, it is prudent to be closer to the end use market. As a result, glass manufacturers are generally observed to have a relatively strong distribution value chain within ~800 km radius around their manufacturing locations.

## GLOBAL DYNAMICS FOR THE FLOAT GLASS INDUSTRY

- **Asia-Pacific:** This region dominates the float glass market, accounting for the largest share in 2023. The growth is fueled by extensive construction and automotive production, especially in China and India. Government initiatives promoting sustainable building practices and infrastructure development are key drivers.
- **North America:** The float glass market is bolstered by significant investments in construction and public infrastructure projects. The U.S., in particular, has seen increased spending in construction, which propels the demand for float glass.
- **Europe:** The market in Europe faces challenges due to the geopolitical impact of the Russia-Ukraine war, affecting the trade of energy-intensive products like float glass. However, there is steady demand from the automotive and construction sectors.
- **Middle East & Africa:** These regions are witnessing growth due to rising investments in construction activities and automotive production facilities.

Source: [Grand View Research](#), [Mordor Intel](#)

## GROWTH DRIVERS

**Boost to an infrastructure development and urbanization** Glass is preferred in offices as it helps save space, permeates translucent lighting and facilitates quieter environments. With environmental sustainability becoming increasingly important, demand for green buildings is particularly high among corporates. Glass is seeing more usage in building exteriors, helping users achieve energy efficiency as reflective glass absorbs and reflects a significant amount of the outside heat thereby sustaining the interiors and allowing natural light to pass through.

**Growth in urbanization** Glass-to-wall ratio per household is expected to further rise as glass is replacing brick, wood and metal usage. For instance, wooden tabletops and cabinet shelves are being replaced with glass for better aesthetics. Glass usage intensity is rising as window sizes are increasing. With the standard of living improving, smaller mirrors are getting replaced with bigger ones. Glasses are finding newer applications in wardrobes, kitchen cabinets, room doors, bathroom cubicles etc. Glass is seen as the material of choice as ongoing innovations in the glass industry increase the products' safety and aesthetics. Some of the products of such innovations include tinted, toughened, lacquered, and laminated glass.

**FDI** 100% foreign direct investment in the construction industry in India under automatic route is permitted in completed projects for operations and management of townships, malls/shopping complexes, and business constructions.

**Rising disposable incomes** led to increase in demand for automobiles, not only is passenger vehicle penetration deepening but also consumer preference is shifting towards bigger, premium cars. Traditionally, India has been a small-car market. However; over fiscals 2016 to 2021, demand for small cars declined from 63% to 54% while that for bigger utility vehicles (UVs) increased from 21% to 39%. Demand for glass has, therefore, increased as bigger cars have larger windshields, sidelights and backlites. The per vehicle glass content in a small car is typically 45 kg to 55 kg, whereas for larger size sedans and SUVs, it ranges 60 kg to 75 kg.

**Railway coaches:** Glass usage intensity in railways is going up due to gradual shift in demand towards preference for air-conditioned travel which necessitates deployment of air-conditioned coaches. Air-conditioned coaches have larger glass content than non-air-conditioned coaches. Growing tourism and introduction of trains meant tourism with panoramic view is a positive for the growth of glass demand from railway application.

#### **HIGHLY SUPPORTIVE POLICY ENVIRONMENT**

**Imposition of anti-dumping duties on cheaper imports:** The government has imposed anti-dumping duties on cheaper imports from several countries such as China, Thailand and Malaysia, and Middle Eastern countries from time to time to protect interests of the domestic glass industry.

**Quality Control Order (“QCO”):** The government and Bureau of Indian Standards (“BIS”) have ascribed certain quality standards for transparent float glass, flat transparent sheet glass and safety glass. The said act has come into force for transparent float glass and flat transparent sheet glass from April 1, 2022 (on safety glass quality standard date has been extended to April 1, 2023). These rules mandate that these products imported from other countries should get the BIS stamp before they are sold. This is expected to curb imports of sub-standard quality glasses into India, which will provide level-playing field for domestic float glass industry.

**Energy Conservation Building Code (“ECBC”):** The Bureau of Energy Efficiency (“BEE”) and Ministry of Power introduced the ECBC Rules 2018. These rules are applicable to all commercial buildings with a connected load of 100 kiloWatt (“kW”). These rules specify design norms that will help achieve energy efficiency. Increased usage of reflective glass helps architects and developers meet these norms.

**Inclusion of glass and glazing in the National Building Code 2016:** A new section on glass and glazing was included in the National Building Code (“NBC”) 2016. It contains specific guidelines (such as thickness) on the type of glass that can be used in buildings depending on the requirements of energy and lighting, rescue and firefighting operations and human safety. Inclusion of glass in the NBC is beneficial for the industry.



## **OUR BUSINESS**

*Some of the information 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 “Forward-Looking Statements” on page 21 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 28 and 178 for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our financial year ends on March 31 of each year, and references to a particular financial year are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, in this section, references to “Company, “Our Company”, “we” or “us” mean Agarwal Toughened Glass India Limited.*

*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 Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

Our Company was incorporated as “Agarwal Toughened Glass India Private Limited”, Company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 30, 2009, issued by the Registrar of Companies, Jaipur, Rajasthan, India. Subsequently, our Company was converted into Public Limited Company and the name of the Company was changed from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on January 30, 2023, and had received Certificate of Incorporation dated March 06, 2023, issued by the Registrar of Companies, Jaipur, Rajasthan, India. For details pertaining to the changes of name of our company and change in the registered office, please refer to the chapter titled ‘History and Certain Corporate Matters’ beginning on page 149 of this Red Herring Prospectus. The CIN of the Company is U26109RJ2009PLC030153.

Our Company was incorporated with the primary goal of becoming a recognized manufacturer of toughened glass. Choosing and purchasing land from RIICO under a leasing agreement dated June 27, 2010, building a factory by gaining the required approval from many government agencies, authorities, etc., for the period from FY 2010 to FY 2014, is how our company began to take action. During the fiscal years 2014 to 2015, orders were placed for the import of machinery, and work on the construction and installation of plant and machinery began. In the fiscal years 2015 to 2016, our Company began testing various units. It wouldn't be out of place to note that the company needed to dedicate time between 2009 and 2015 in order to accomplish this goal. Our balance sheet for that period shows revenue from glass trade that our company conducted during that time.

We are a company that produces toughened glass by processing several types of glass. We provide a range of thickness and size options for our hardened value-added glasses. Processing the float glass yields the toughened value addition glasses. Following the manufacturing of toughened glass, various types of glasses are produced, including laminated, frosted, tinted, reflecting, clear, and double-glazed toughened glass. Toughened glass is used in many demanding applications because of its strength and safety, such as shower doors, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks, and a variety of plates and cookware. It is also used in architectural glass doors and tables. Toughened glass is also frequently utilized as dividers in buildings housing residential and commercial apartments, hospitals, airports, shopping centers, stairwells, balustrades, and other architectural elements.

Our Company processes a range of toughened glasses that meet the quality criteria set by the Bureau of Indian criteria (BIS) to be used with the ISI label. We can now compare our Quality Management System to the best in the world thanks to our ISO 9001:2015 certification. We only sell our products within India catering to segments such as office buildings, hotels, institutions, banks, insurance firms, shopping centers, diplomatic homes, etc.. Our products are used in a multitude of applications, including as the exterior and interior spaces of residential and commercial structures, and cater to a variety of end use industries, including the construction, automotive, and industrial sectors.

Our business receives orders from both direct clients and our skilled sales and marketing team, who have a wealth of experience in the glass industry. The size, thickness, quantity, and quality of the glasses that our client chooses will determine how long it takes us to manufacture processed & value-added glass.

## Brief on our Financials:

(₹ in Lakhs, except per share data)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Share Capital	1,187.50	1,187.50	475.00	475.00
Net Worth	2,084.72	1,630.80	762.28	665.31
Total Revenue from operations	2,228.72	3,832.78	3,995.03	3,340.94
EBITDA	697.50	1,371.01	474.90	359.86
Profit after Tax	453.92	868.52	96.97	50.18
EPS Basis & Diluted (Pre Bonus)	3.82	7.31	2.04	1.06
EPS Basis & Diluted (Post Bonus)	3.82	7.31	0.82	0.42
NAV per equity share (Pre Bonus)	17.56	13.73	16.05	14.01
NAV per equity share (Post Bonus)	17.56	13.73	6.42	5.60
RONW %	21.77%	53.26%	12.72%	7.54%

Source: Restated Financial Statements

For further details on our financial performance, please see “**Financial Information**” beginning on page 172 of this Red Herring Prospectus.

## Our Strengths

### ***Strong brand presence in Indian Market***

Over the past few years, our Company has established itself as a reputable, high-quality, and trustworthy brand, for which we have won numerous accolades. As a result, we are now better known as one of the top companies in the Indian glass market. The track record of our business has helped us establish a strong sense of credibility and brand recognition. Our company's development has been greatly aided by the acceptability and recognition of the brand "Agarwal-Glasses for New Era." For further details please refer to the chapters titled "History and Certain Corporate Matters" and "Government Approvals" on pages 149 and 142 of this Red Herring Prospectus.

### ***A combination of experience and expertise***

Our Promoters, who have extensive backgrounds in the glass business, provide directions to our Company. Our promoter's creativity, strategic management of the Company's operations, and well-planned marketing and sales have increased our business's growth and sales, which has improved our financial performance. Please refer to "Our Management" on page 153 of the Draft Red Herring Prospectus for more information on the backgrounds and experiences of our management team. We think that our management's and promoters' knowledge and experience will help us spot new business possibilities, react quickly to market conditions, adjust to shifting market dynamics, and foster the company's expansion.

### ***Long Standing Relationship with our customers***

Having been in the toughened glass production business for the past eight years has allowed us to continuously meet the needs of our customers for a wide range of glass. Our current connections help us draw in new business and receive repeat business from our existing clientele. This has aided us in strengthening our customer retention strategy and preserving long-term working relationships with our clients. Due to our solid client relationships, we frequently receive repeat orders and have developed a competitive edge in attracting new business and growing our clientele. We believe that our current relationships with clientele shall serve as a key differentiator among other players.

### ***Consistent focus on quality***

Throughout the whole process from sourcing, processing, packaging, and supply, we uphold a strict quality control. We follow a strict quality standards in the entire process through both our industrial units. Quality, in our opinion, is a need for both a satisfying customer experience and enduring brand loyalty. Our production facilities hold an ISO 9001:2015 certificate. We undertake various tests for our products including human impact, ball drop, design & visual examinations, annealing assessments (residual stress), glass thickness and weight measurements etc. Our success has been largely

attributed to our dedication to strict quality control, which has also helped consumers associate our brand with openness and trust.

### **Strong Risk Management**

Our clients seek for knowledge to help them control their exposure to price risk in today's erratic markets. According to the ISO certification, we have a strong risk management system that assists us in identifying and reducing every risk in our company. We have well defined action plans that address the risks classified as high or medium, as required by the ISO certification. We are well aware of the operational and financial risks in our operations since we have been recognizing, measuring, and managing our own exposure to risk throughout the years. We collaborate closely with every department to recognize, classify, and reduce risks. We've created plans of action to reduce the dangers. We may conduct business properly and uphold a world-class quality management system by professionally managing our risks. Our capacity to offer risk-managed supply chains establishes us as a dependable vendor for customers and dealers in various industries.

The following table sets forth our B2B and B2C wise sales:

(₹ in Lakhs)

Particulars	For the period ended on September 30, 2024		For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>
B2B	2,151.61	96.54	3,532.47	92.16	3,893.82	97.47	3,307.68	99.00
B2C	77.11	3.46	300.31	7.84	101.21	2.53	33.26	1.00
<b>Total</b>	<b>2,228.72</b>	<b>100</b>	<b>3,832.78</b>	<b>100</b>	<b>3,995.03</b>	<b>100</b>	<b>3,340.94</b>	<b>100</b>

<sup>#</sup> as a percentage of revenue from operation.

The following table sets forth our state wise sales:

(₹ in Lakhs)

Name of States	For the period ended on September 30, 2024		For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>
Himachal Pradesh	-	-	0.09	0.00	25.53	0.64	8.87	0.27
Punjab	5.44	0.24	-	-	1.20	0.03	9.65	0.29
Uttarakhand	4.15	0.19	-	-	-	-	21.28	0.64
Haryana	192.00	8.61	771.17	20.12	678.86	16.99	501.60	15.01
New Delhi	127.19	5.71	174.06	4.54	480.70	12.03	224.79	6.73
Rajasthan	1,823.99	81.84	2,760.01	72.01	2,617.41	65.52	2467.19	73.85
Uttar Pradesh	65.06	2.92	115.01	3.00	126.63	3.17	85.74	2.57
Gujarat	-	-	7.18	0.19	0.33	0.01	2.14	0.06
Maharashtra	4.48	0.20	2.00	0.05	63.04	1.58	19.43	0.58
Karnataka	0.33	0.01	0.30	0.01	-	-	-	-
Tamil Nadu	6.08	0.27	1.39	0.04	0.24	0.01	0.26	0.01
Telangana	-	-	1.59	0.04	1.09	0.03	-	-
<b>Total</b>	<b>2,228.72</b>	<b>100%</b>	<b>3,832.78</b>	<b>100%</b>	<b>3,995.03</b>	<b>100%</b>	<b>3340.94</b>	<b>100%</b>

<sup>#</sup> as a percentage of revenue from operation

The following table sets forth our products wise sales:

(₹ in Lakhs)

Particulars	For the period ended on September 30, 2024		For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>
Toughened Glass	903.21	40.43	1952.45	50.94	2310.35	57.83	1866.61	55.87
DGU	750.86	33.61	1105.81	28.85	1039.20	26.01	1030.55	30.85

Lamination Glass	579.95	25.96	774.52	20.21	645.48	16.16	443.78	13.28
<b>Total</b>	<b>2234.02</b>	<b>100.00</b>	<b>3832.78</b>	<b>100.00</b>	<b>3995.03</b>	<b>100.00</b>	<b>3340.94</b>	<b>100.00</b>

# as a percentage of revenue from operation.

The following table sets forth the details of revenue from operations from our top customers:

(₹ in Lakhs)

Particulars	For the period ended on September 30, 2024		For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>	Sales Revenue	% of Revenue <sup>#</sup>
Top 1 customer	210.50	9.44	324.89	8.48	325.84	8.16	308.72	9.24
Top 3 customers	498.67	22.37	758.74	19.80	834.8	20.90	752.06	22.51
Top 5 customers	661.01	29.66	1,007.66	26.29	1,060.7	26.55	973.35	29.13
Top 10 customers	901.82	40.46	1,315.14	34.31	1471.79	36.84	1,350.88	40.43
<b>Total</b>	<b>2,228.72</b>		<b>3,832.78</b>		<b>3,995.03</b>		<b>3,340.94</b>	

# as a percentage of revenue from operation.

The following table sets forth our top suppliers:

(₹ in Lakhs)

Particulars	For the period ended on September 30, 2024		For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Purchase	% of Total Purchase	Purchase	% of Total Purchase	Purchase	% of Total Purchase	Purchase	% of Total Purchase
Top 1 Supplier	599.59	56.35	2,151.92	85.43	2,039.92	68.21	751.13	32.11
Top 3 Supplier	886.91	83.35	2,338.50	92.84	2,759.60	92.27	1,799.39	76.91
Top 5 Supplier	996.97	93.70	2,449.58	97.25	2,885.85	96.49	2,135.88	91.30
Top 10 Supplier	1,063.26	99.33	2,517.70	99.96	2,987.02	99.87	2,303.39	98.46
<b>Total</b>	<b>1064.05</b>		<b>2,518.82</b>		<b>2,990.78</b>		<b>2,339.49</b>	

## Our Business Strategies

### *Continue to invest in infrastructure*

In order to support our business operations and boost efficiency, we want to keep investing in our current infrastructure facilities. We want to add one additional advanced production line machine or advanced tempering machine (with upper forced fan convection through steel tubes) to the current production line in order to improve our capacity to create laminated glasses. Our company's manufacturing capacity will expand with the addition of one more line of production, which will boost sales and operating revenue. Please refer to "Object of the Issue" on page 82 of Hearing Prospectus for information on additions to our manufacturing facilities.

### *Expand our current business relationships*

The foundation of our business is our clientele. Building enduring relationships with both current and potential clients is our aim. By increasing the size and quantity of projects and diversifying our products, we hope to broaden the nature and scope of our partnerships with clients. We aim to deliver value-added solutions to new clients by utilizing our extensive industry knowledge and broadening the range of services we provide. Furthermore, our goal is to keep creating better solutions for underutilized industry segments.

### *Focus on consistently meeting quality standards*

We uphold stringent internal quality control measures in the principal functional and operational domains, encompassing an array of protocols and guidelines that guarantee the systematic and effective implementation of work orders. These encompass compliance with management's directives, asset protection, fraud and error prevention and detection, precision and entirety of accounting documentation, and the prompt generation of dependable financial data. Our organization plans to concentrate on upholding the products' quality requirements. From the perspective of the client as well as the regulations, the organization places a high value on product quality. The keys to upholding the products' quality standards

are regular quality reviews and prompt corrective action in the event of a quality deviation. Encouraging client trust and fostering long-lasting relationships are made easier when we deliver the requested high-quality products.

**Improving operational efficiencies**

Our company concentrates on increasing operational effectiveness to cut costs and gain a competitive advantage. We constantly work to improve operational output through technological development, quality assurance, and ongoing process improvements. Our staff members receive frequent motivation to work more productively and efficiently while wasting less. Economies of scale are also significant.

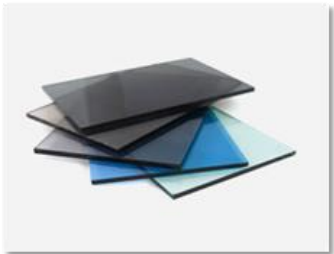
**Details of our product portfolio**

We provide a variety of thickness and size toughened value addition glasses in our product line. The float glass is processed to produce the toughened value-added glasses. Several types of glasses are produced from toughened glass once it has been processed, including tinted, double-glazed, reflecting, clear, laminated, and frosted toughened glasses. Toughened glass is used in many demanding applications because of its strength and safety, such as shower doors, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks, multiple kinds of plates and cookware, automobile windows, and architectural glass doors and tables. Toughened glass is also frequently utilized in retail centers, hospitals, airports, residential and commercial apartment buildings, balustrades, stairways, and doors. Every one of our many styles of toughened glasses carries the BIS mark. For the period ended September 30, 2024, FY 2024, FY 2023 and FY 2022, respectively, the revenue received from revenue from operation is ₹ 2,228.72 Lakhs (94.85%), ₹ 3,832.78 Lakhs (94.63%), ₹ 3,995.03 Lakhs (98.39%), and ₹ 3340.94 Lakhs (96.23%).


**Types of Toughened Glass produced by our company.**

**A. TOUGHENED GLASSES:**

**1. Toughened Glass:**

 <p style="text-align: center;"><b>Toughened Glass</b></p>	<p><b>Toughened Glass</b> - Toughened or tempered glass is a type of safety glass processed by controlled thermal treatments to increase its strength. In this process, glass undergoes a process of controlled thermal treatment to increase its strength. Regular glass is exposed to high heat and then rapidly cooled by a blast of air blown through nozzles on both sides of the glass in the quenching chamber. It is prepared by completing prior to its tempering, all such works in accordance with drawings, sizes and templates. This process of heating and rapid cooling makes it stronger than the annealed glass and enhances safety since it breaks into circular chunks reducing the risk of injury. Further, it does not alter the light transmission and solar radiant heat properties of the glass and cannot be cut, ground, drilled or worked upon.</p>
<p><i>Usage of Toughened Glass:</i></p>	<p><i>Toughened or tempered glass is generally used for façade, curtain walls, railing, shower doors, doors and tables top, shelf glasses, etc.</i></p>


**2. Annealed Glass:**

 <p style="text-align: center;"><b>Annealed Glass</b></p>	<p><b>Annealed Glass</b> - Annealed Glass is formed through the glass-cooling process that is performed at a fabricator's float plant. Annealed glass is also known as float or clear glass. It is a kind of glass that is not quenched after the heating process; it is allowed to cool slowly. Annealed glass is gently cooled in the 'annealing Lehr' where the molten glass is subjected to a controlled cooling process that helps free it from internal stress. Post completion of the process, annealed glass is cut and prepared for distribution. Annealed glass can be used for further processing to obtain tempered glass, laminated glass, toughened glass, etc. Apart from processing, Annealed glass can also be coated with a metal oxide to make a tinted glass which is utilized in protection against solar glare.</p>
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<i>Usage of Annealed Glass:</i>	<i>Annealed glass can be used for making table-tops to provide a sense of modern sensibility; • showcases • shower screens and bathroom windows; • windows and partitions and • diffused lighting.</i>
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*Glass façade is used to create an exciting façade for building - in architectural designs. Clear annealed glass can act as the perfect front for a building. It will allow optimal sunlight to pass through while giving a crystal-like clarity vision. It will also provide a satisfactory glimpse of the interior of the building. In contemporary times, more and more importance are being paid to appearance.*


**3. Acid Frosted Glass:**

 <p data-bbox="236 857 451 887"><b>Acid Frosted Glass</b></p>	<p>Frosted glass has a very neat, clear, and glossy surface. One of the surfaces is frosted or obscured by blasting sand or abrasives under high pressure through a nozzle. A very thin layer of material is removed and the sand or abrasive causes pitting on the surface obscuring its 'see through' property but not obstructing the passage of light. The final glass is known as frosted glass which can then be used across multiple applications and can be added on top of any of the other variants of clear or value-added glass to increase their aesthetic appeal.</p> <p>This technique uses hydrofluoric acid to achieve the frosted look of the glass. The acid reacts with the glass, corroding its surface and therefore providing it with its milky appearance. After the process of acid-etching, the glass experts thoroughly wash the glass, leaving behind permanently etched glass.</p>
<p>Usage of Acid Frosted Glass:</p>	<p>Acid Frosted glass is most commonly used in bathrooms, commercial spaces and on front doors as it is well-known for promoting privacy. Frosted glass is the most favored choice for people wishing for more privacy while not wanting to block out the light.</p>

**4. Sand Blasted Glass:**


 <p data-bbox="236 1429 451 1458"><b>Acid Frosted Glass</b></p>	<p><b>Sand Blasted Glass-</b> Sandblasted glass is produced by spraying sand at high velocities over the surface of the glass. This gives the glass a translucent surface, which is usually rougher than that obtained by etching. During sandblasting, areas that are to remain transparent are masked for protection.</p>
<p>Usage of Acid Frosted Glass:</p>	<p>Sandblasted glass or frosted glass is created by blasting particles of sand onto the surface of glass to create a frosting effect. It is used for both decorative purposes and to create privacy without blocking out light. .</p>

**5. Sand Blasted Glass:**

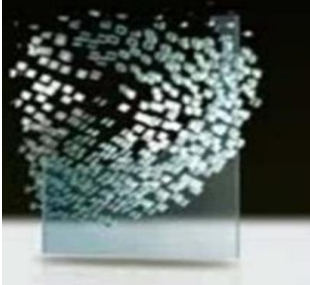
 <p data-bbox="236 1955 451 1984"><b>Heat-Soaked Glass</b></p>	<p><b>Heat-Soaked Glass-</b> Heat-Soaked Glass is a process applied to tempered or toughened glass so that the spontaneous breakage of glass is avoided due to the presence of Nickel Sulphide (NIS). As a precaution the toughened glass is made to go through the process of heat soaking so that it can act as a safety glass. Heat Soaking is a process in which glass is soaked in a heated chamber at 290 degrees centigrade for around two hours. This process accelerates the expansion of Nickel in case there is any Nickel Sulphide is present and causes the glass to break. For safety reasons it is better that the glass breaks in the factory than at site where the glass is installed.</p>
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<i>Usage of Heat-Soaked Glass:</i>	<i>Heat-soaked glass is used in areas where there is high risk of human impact.</i>
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## 6. Lacquered Glass:


 <p style="text-align: center;"><b>Lacquered Glass</b></p>	<p><b>Lacquered Glass</b> - Lacquered glass is a type of decorative glass that possesses a layer of colour coating on one of its surfaces. Hence, it is also known as back-painted glass. It is made by top quality clear float or ultra-clear float glass, through depositing a highly durable and resistant lacquer onto the flat and smooth surface of the glass, then by carefully baking into the furnace, which is constant temperature, permanently bonding the lacquer onto the glass. Lacquered Glass has all the features of the original float glass but also supplies wonderful opaque and colorful decorative applications.</p>
<p><i>Usage of Lacquered Glass:</i></p>	<p><i>Lacquered glass/ back printed glass is for indoor use only. Back Painted Glass can be used in a wide variety of domestic, architectural, and commercial indoor applications -almost anywhere a contemporary and practical solution is required to enhance any interior space, includes:</i></p> <ul style="list-style-type: none"> <li>• <i>Kitchens and bathrooms</i></li> <li>• <i>Wall cladding,</i></li> <li>• <i>Wardrobes</i></li> <li>• <i>Tabletops, or countertops</i></li> <li>• <i>Bars and restaurants</i></li> <li>• <i>Feature walls</i></li> <li>• <i>Hospitals and other public areas.</i></li> </ul>

## 7. Tempered Safety Glass:

 <p style="text-align: center;"><b>Tempered Safety Glasses</b></p>	<p><b>Tempered Safety Glasses-</b> The tempering process of float glass is to change the entire glass properties from its weakness to strengths as annealed glass is weak, poor shock and impact resistance and break into shrapnel like object which may be fatal if strike the humans from height and little force.</p> <p>Tempering process make the annealed glass five stronger for better capable to impact resistance. Tempering Safety Glass is a strong, impact resistance, durable, adaptable, high performance glass glazing which provide the effective protection, reduce light transfer (tinted/ reflective glasses), very good safety against breakage and falling sharp fragments and splinters due to accidental impacts due Windstorms, Cyclone Hurricane and Earthquake besides the unique safety against forced entry and burglary acts.</p>
<p><i>Usage of Tempered Safety Glasses:</i></p>	<p><i>Architectural Glasses used in commercial buildings and high rise residential towers.</i></p>

## LAMINATED GLASSES:


### 1. Laminated Glass:

 <p style="text-align: center;"><b>Lacquered Glass</b></p>	<p><b>Laminated Glass</b> - Laminated glass is a type of safety that holds together by sandwiching a layer of poly vinyl butyl between pairs of glasses. This glass is constructed by two or more glass panes bonded together with interlayers of polyvinyl butyral ("PVB") or ionomers between them and then treated and is generally used for safety and security purposes since the PVB layers make the glass layers stick to them so that it does not fall out of the window frame. The glass panes can be annealed float glass, toughened glass, or heat strengthened glass. The most common use of laminated glass is for front windscreens of automobiles and can also be used in architectural applications due to its characteristic of being safe,</p>
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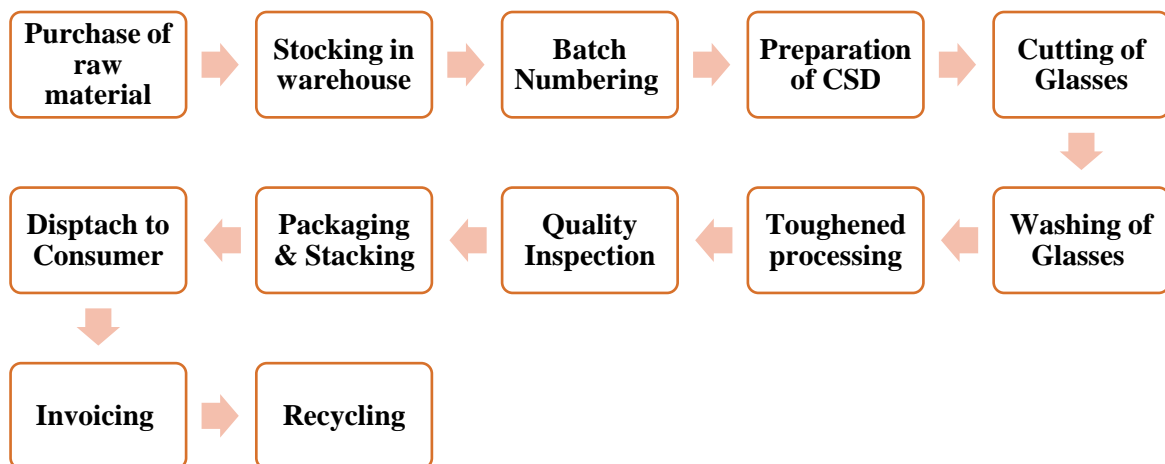
	secure, acting as a barrier to noise, reducing the ultraviolet rays from the sun thereby protecting interior furnishing and fire retardancy.
<i>Usage of Lacquered Glass:</i>	<i>Laminate glass is a sandwich type made of one thin layer of plastic poly vinyl butyral between two or more sheets of glass. The PVB sticks with the glass, forms chemical as well as mechanical bonds. When laminated is used with annealed glass, the layer maintains the geometric integrity of the pane in case of breakage. Also, it gives acoustic insulation to acoustic popular windows as well as providing protection against damage caused due to UV radiation because it cuts almost 99% of UV radiation present in the sunlight. It is also used in Rallings and Skylights. It is also used to increase the sound insulation rating of a window.</i>

## B. INSULATED/ DOUBLE GLAZING GLASSES:

### 1. Insulated Glass:

 <p style="text-align: center;"><b>Insulated Glass</b></p>	<p><b>Insulated Glass</b> - Insulated glass combines two or more glass panes that are spaced apart and sealed with a sealant to appear as a single unit. Also known as Double Glazed Unit or Hermetically Sealed Unit or Vacuum Glass or Soundproof Glass, these glasses are designed to improve thermal performance and reduce energy costs and act as a good insulator, reduce sound transmission, prevent condensation of dew, and offer energy conservation. This glass is more commonly known as double glazing or triple glass window panels separated by a vacuum or gas filled space to reduce heat transfer across a part of the building envelope.</p>
<i>Usage of Insulated Glass:</i>	<i>Insulated glass is generally used for façade and partitions, for reducing noise.</i>

## OUR BUSINESS PROCESS:



1. **Purchase of raw material-** There are several types of float glass, including clear float glass, tinted float glass, reflective float glass, low-e float glass, and acid-etched float glass available in market so, as per the requirement under any particular project and based on other technical specifications the order placed to the glass manufacturer company.
2. **Stock in warehouse-** The project specific glass stored in warehouse as per availability of material by suppliers because the suppliers of glasses are limited and availability of float glass for a particular quality as per particular technical specifications is limited, so it is required to procure the complete raw material in a single order cycle.



3. **Marking Batch Numbers-** The Stored material in warehouse is related with many running orders or projects, so after procurement of material it is required to mentioned batch numbers as per production department policy.
4. **Preparation of CSD report-** The Stored glasses are always in same sizes and required to cut the same as per requirement of any particular project so the Customer Service desk (CSD) will prepare the report as per order and sent for the same for approval, this is required to reduce the wastage of glass during cutting process.
5. **Cutting of Glasses-** The glass is automatically cut lengthwise and crosswise. The sheets of glass are raised by vacuum frames that then place them on glass stillages. The approved Customer Service desk (CSD) report provided to cutting division and the automated glass cutting division will program the parameters in machine and then cut the glasses as per requirement.
6. **Grinding, Polish, Cut, Holes-** This Grinding, Polish, Cut, Holes process is completely project specific and glasses are separately moved under all processes.
7. **Washing of Glasses-** Before process in to toughened plant it is required to wash the same by washing plant/machine and the process is integrated part of plant and each and every glass will go through this process.
8. **Process in toughened Plant-**The washed glasses after all checks moved in to toughened plant in which glass is heated above 720°C, which is the highest annealing point and after the extreme heating procedure, rapid cooling is conducted with air. Taking the surface lower than the annealing point cools off the glass. This causes the surface to become hard and contracts while the core still flows for a while. Finally, the core cools into numerous layers under tensile stress, balanced by compressive surface stresses. Because of these stresses, the toughened glass is strong and tough.
9. **Quality Inspection-** Automatic inspections and regular samples are taken to check the quality of the glass at each step in the glassmaking process. The complete batch of toughened glasses will require to inspect through quality check process and the batch wise quality check will be done during each production cycle.
10. **Packaging & Stacking -** The QC-OK (Quality Check) glasses are ready for dispatch and stored the same in finished stock warehouse.
11. **Dispatch to customer -** As per terms of delivery either company or the buyer will arrange the transport vehicle for site and accordingly the glasses will pack and load into the vehicles.
12. **Invoicing -** The loaded vehicle will go through an inspection by dedicated division and then passes the packing slip into accounts division for invoicing and gate pass.
13. **Recycling:** Use of recycled cullet, installation of pollution abatement systems and closed-circuit management of water: every measure is taken to limit the consumption of energy, extraction of natural resources, production of waste and emissions into the atmosphere.

#### **Toughened Glasses:**

1. Toughened glass is about 6 times stronger than normal float glass. Moreover, the process of tempering does not affect any other property of the glass. Hence, with the same visible light transmission as normal float glass comes simply greater strength.
2. Toughened glass is able to withstand massive differences in temperature (of.0.. up to 250°C i.e. 250 degrees Celsius) whereas normal float glass can handle only up to 40°C i.e. 40 degrees Celsius.
3. Tempering of glass renders it difficult to break and even when it does due to whatsoever reasons, it will fall apart into very small, blunt, cube-like pieces that do not cause fatal injuries.
4. Toughened glass is highly resistant to electric and thermal shock.
5. Its high durability makes frequent replacement redundant. Hence, the glass can easily be used for a long time.

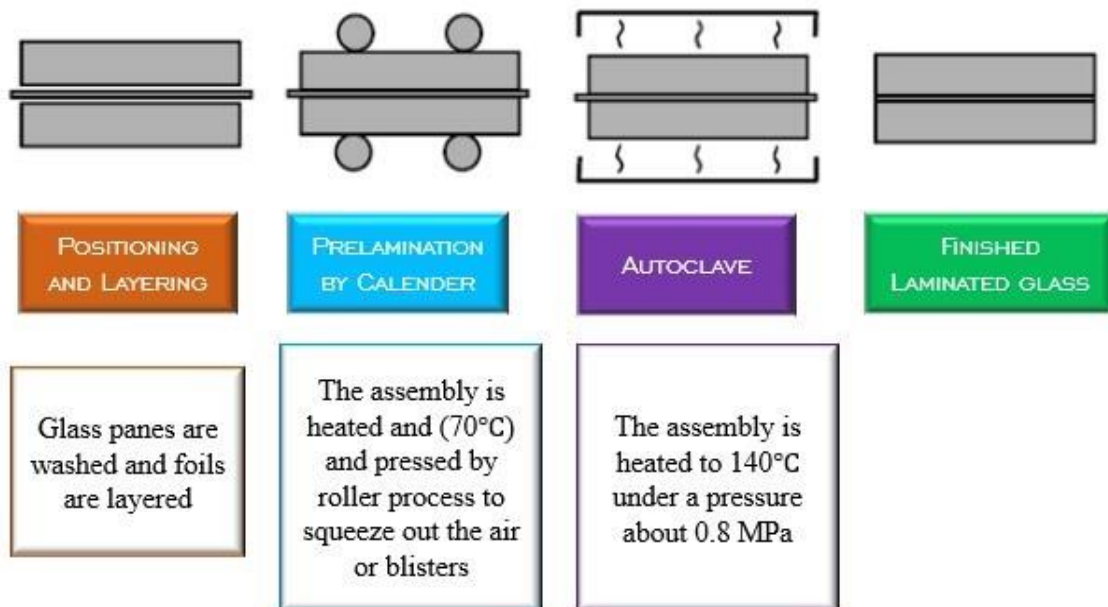
**Laminated Glasses:**

Laminated glass is a type of safety glass that holds together when shattered. In the event of breaking, it is held in place by an interlayer, typically of polyvinyl butyral (PVB), ethylene-vinyl acetate (EVA), or Thermoplastic Polyurethane (TPU), between its two or more layers of glass. The interlayer keeps the layers of glass bonded even when broken, and its high strength prevents the glass from breaking up into large sharp pieces. This produces a characteristic "spider web" cracking pattern when the impact is not enough to completely pierce the glass. In the case of the ethylene-vinyl acetate (EVA), the thermoset ethylene-vinyl acetate (EVA), offers a complete bonding (cross-linking) with the material whether it is glass, polycarbonate (PET), or other types of products. TPU (Thermoplastic polyurethane) is the best choice for Bullet-Resistant Glass (BRG) and for so called E-Glass (Smart Glass).

Laminated glass is normally used when there is a possibility of human impact or where the glass could fall if shattered and also for architectural applications. Skylight glazing and automobile windshields typically use laminated glass. In geographical areas requiring hurricane-resistant construction, laminated glass is often used in exterior storefronts, curtain walls and windows.

Laminated glass is also used to increase the sound insulation rating of a window, where it significantly improves sound attenuation compared to monolithic glass panes of the same thickness. For this purpose, a special "acoustic PVB (polyvinyl butyral)" compound is used for the interlayer. In the case of the EVA (ethylene-vinyl acetate) material, no additional acoustic material is required, since the ethylene-vinyl acetate (EVA) provides sound insulation. TPU (Thermoplastic polyurethane) is an elastic material, so sound absorption is intrinsic to its nature. An additional property of laminated glass for windows is that an adequate TPU Thermoplastic polyurethane (TPU), polycarbonate (PVB) or ethylene-vinyl acetate (EVA) interlayer can block essentially most ultraviolet radiation. A thermoset ethylene-vinyl acetate (EVA) could block up to 99.9% of all Ultraviolet (UV) rays.

1. Using two or more pieces of glass bonded between one or more pieces of adhesives; such as polyvinyl butyral (PVB) or ethylene-vinyl acetate (EVA), using heat and pressure.
2. Using two or more pieces of glass and polycarbonate, bonded together with Thermoplastic polyurethane or aliphatic polyurethane (TPU), or ethylene-vinyl acetate (EVA), interlayer under heat and pressure.
3. Interlaid with a cured resin or ethylene-vinyl acetate (EVA).



## Insulated/ Double Glazing Glasses DGU's :

1. Each piece of glass is cut to size on our automatic cutting table. If the glass requires diamond, rectangle or colored leading it is done at this stage.
2. An individual spacer bar is cut to the size of unit, allowing a 23mm (millimeter) overall reduction for the correct sealant depth. If the unit requires Georgian bars it is done at this stage. The hollow spacer bar is then filled with desiccant to absorb any moisture from the air inside the unit.
3. The glass is then put through our washing machine, which washes the glass with hot water then dries the glass using hot air blowers. At this stage the glass is visually inspected for imperfections.
4. The glass is assembled into a unit using the pre-cut spacer bar. The assembled unit is now transferred to the edge sealing section.
5. The edges of the unit are sealed with a warm edge sealant, creating a hermetically sealed double-glazed unit.

Once the glass has been cut and edge worked, the sheets are first washed and dried to remove all dirty particles. Two sheets are separated by an aluminum spacer bar or thermally insulating material. They are then sealed around the perimeter using organic seals, and the spacer bar is filled with desiccant to dry the air in the cavity. A secondary seal is then applied to hermetically seal the double-glazed unit.

A DGU (Double Glazed Unit) consists of the following: -

- 2 Pieces of Glass
- Spacer Bar filled with desiccant
- Sealed with either Polysulphide or Silicon



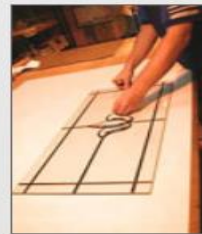
Automatic Glass Cutting Process



Glass Washing Service



Warm Melt Edge Sealing Process



Stained Glass Department

- **Spacer Bar**- The spacer bar creates a gap between the 2 pieces of glass to help with insulation. the spacer bar is typically made of aluminum but can be made of other materials that do not conduct heat/cold as much as aluminum. However, these different materials will offer be more expensive.
- **Spacer Bar Desiccant**- Once the spacer is bent the hollow center is filled with small desiccant beads. This desiccant is used to take away any moisture that may be present inside the sealed DGU.
- **Primary Seal**- The primary seal is heated butyl that is applied to the outside of the spacer bar and is used to attach the spacer bar to both pieces of glass. This seal will stop moisture entering the unit and will stop gasses such as Argon or Krypton leaving the space in the DGU.
- **Secondary Seal**- The secondary seal is the area between the spacer bar and the edges of the glass. In most cases this is filled with polysulphide but on exposed edges, especially with UV exposure, silicon is typically used. This secondary seal gives added protection to the primary seal and gives a nice aesthetic look to the unit.

## Use of Double Glazing Glasses DGU's

Double Glazing offers a number of advantages compared to Single Glazed Glass. Double Glazing is a great insulator due to the Air/Argon gap in between the 2 pieces of glass. In Summer your single glazed glass gets hot on the outside and radiates the heat to the inside of your house. During the Winter the opposite can happen, the heat from inside your house is drawn through the glass and radiates to the outside world. With a space in between this is greatly reduced. Air does not conduct heat as well as glass but argon is even better and conducts less heat than air. So a DGU with argon is the best choice to stop this heat transfer, if you then add a spacer bar that doesn't conduct heat, you have the perfect solution.

Also, with a DGU you can add a Low E (emissivity) glass to the unit, this will then reflect away a lot of the solar heat coming from the sun. This solar heat bounces off of the glass and goes back into the atmosphere. But you can have many different Low E coatings on the glass which can change the performance. More often than not, the higher the performance the more expensive the glass.

By just adding the airgap into the unit you can start to reduce noise transmission. A larger gap gives an improved performance but then you can add a special laminated glass, with a noise reducing interlayer, to further reduce noise transmission.

Finally, just by adding the 2 panes of glass to the DGU, you make the opening more secure and more difficult to break and enter. With the additional of a laminated glass with an interlayer to one of the pieces, further improves the security of the unit. Double Glazed Units are a great addition to any home or office. They have many benefits and can be made to improve your particular circumstances.

#### Some of our Projects Executed where our products have been used

Type of Project	Project Start date	Project Completed date
Educational institute	27.08.2022	16.03.2023
Educational institute	10.12.2018	18.01.2020
Office building	05.12.2020	28.10.2022
University	01.08.2023	31.10.2023
Educational institute	02.06.2022	14.12.2022
Educational institute	08.09.2020	04.06.2021
Justice building	16.03.2021	04.06.2021
Justice building	18.02.2022	11.04.2022
Justice building	13.08.2021	01.12.2021
Refinery	22.10.2021	09.11.2023
University	24.03.2018	18.12.2019
Convention centre	01.05.2020	31.12.2022
Exhibition centre	05.04.2022	10.03.2023
Hospital	01.04.2017	29.12.2018
Hospital	07.08.2019	23.02.2022
Hospital	17.06.2019	11.11.2021
Medical College	20.07.2019	18.08.2020
Office building	06.05.2017	02.09.2019
Office building	26.08.2017	19.02.2019
Residential building	22.07.2022	4.11.2023
Hotel	30.05.2022	24.09.2023
Hotel	22.09.2022	10.03.2023
Office building	08.12.2023	22.10.2024
Office building	22.12.2023	30.09.2024
Residential building	24.12.2023	30.06.2024
Residential building	29.12.2023	25.07.2024

#### Our Projects under Execution

Project and/ or Product Details	Project Start date	Estimated Project Completion Month Year
Office building	12.12.2023	Dec-24
Residential building	30.12.2023	Dec-24
Hotels	25.02.2024	Dec-24
Office building	30.12.2023	Dec-24
Residential building	30.12.2023	Dec-24
Office building	02.01.2024	Dec-24
Office building	04.03.2024	Jan-25
Refinery	04.02.2024	Dec-24
Residential building	06.02.2024	Dec-24
Office building	06.03.2024	Dec-24

Project and/ or Product Details	Project Start date	Estimated Project Completion Month Year
Residential building	06.01.2024	Jan-25
Industrial building	07.01.2024	Jan-25
Residential building	08.01.2024	Jan-25
Residential building	08.01.2024	Jan-25
Office building	02.07.2024	Feb-25
Office building	15.07.2024	Feb-25
Office building	25.07.2024	Feb-25
Office building	06.08.2024	Feb-25
Office building	06.08.2024	Feb-25
Office building	22.08.2024	March-25
Office building	15.10.2024	April-25

### Manufacturing Infrastructure

As on the date of filing this Red Hearing Prospectus, our Company has only two operational factory units located at Rajasthan, India. These factory units are operated by us and are ISO 9001:2015 certified. Our factory units are well equipped with modern and fully automated plant & machinery. Within our factory unit 1, float glass is simply converted into architectural glass and toughened glass and within our factory unit 2, architectural glass and toughened glass is then converted to a laminated glass. Further, all our raw materials and finished goods are stored within our own factory units. For details on our factory units, please refer to “*Our Properties*” on page 140 of the Draft Red Hearing Prospectus.

Our products are a unique combination of quality and elegance that has led to the rapid growth and progress of our company. Our company has installed a specific software named “SPY Soft ERP” wherein the specific design, parameter, dimension, cutting in specific size, polishing etc., is being feed in the software as per the client’s need and upon running the said software, our high-tech, modern and fully automatic plant and machinery manufacture and produce the required output. Our company’s R & D team always carries out various research on chalking out the various parameters such as dimensions and tolerances test, roller wave distortion, vertical tong hung process, edge deformation, tolerances on hole diameters etc. which will assist us manufacturing the glass which shall lead to the ultimate client satisfaction.

**Snapshot of factory – Unit 1** at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India





**Snapshot of factory – Unit 2 F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India**



**RAW MATERIAL**

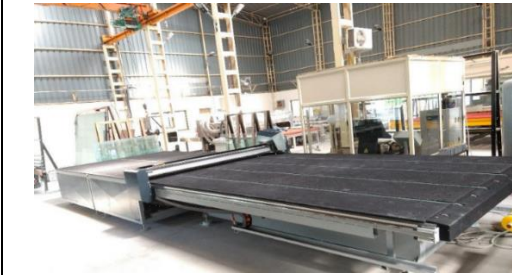


**PLANT & MACHINERY:**

**A. Plant & Machinery at factory UNIT – I:**

**1. Cutting Line:**

**Cutting Line: LISEC Austria - Max. Size: 3700mm x 2600mm:**



**Machine Photo**

CNC Glass Cutting Line (LISEC) relates to fully mechanized glass loading system for achieving the most accurate (0.2mm Accuracy) and fastest cutting speed of 150 Sq. per Meter per hour which is the best in the industries.

Auto aligning and auto shape reader is means for the fastest production for even or at complex shaped orders.

Edge deletion system (patented) –Cylindrical Diamond Grinding Attachment for the soft coated glass sheets is unique and works in same cutting cycle which is again available only in Lisec Machine for making IGU is unique.

**2. Automatic Glass Loader**

**Automatic Glass Loader : HUMAM China - Max. Size :- 3700mm x 2600mm**



**Machine Photo**

HUMAM China’s Automatic Glass Loader is a state-of-the-art solution that provides efficient and reliable loading of glass sheets into the production line. With its advanced technology and precision, this glass loader ensures the safe and accurate handling of glass sheets, minimizing the risk of damage and improving productivity. The Automatic Glass Loader is designed to work seamlessly with various types of glass, and it can handle different sizes and thicknesses of glass sheets. At HUMAM China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Automatic Glass Loader is a testament to our commitment to excellence and customer satisfaction.

**3. Automatic Drill Machine :**

**Automatic Drill Machine : LIFENG China - Size :- Max Dia 200mm, Min. Dia 6mm**



**Machine Photo**

LIFENG China’s Automatic Drill Machine is a highly advanced and reliable solution that provides accurate and efficient drilling of glass sheets. With its cutting-edge technology, this drill machine can handle different sizes and thicknesses of glass sheets with precision and speed, minimizing production time and maximizing productivity. The Automatic Drill Machine is designed to operate smoothly and efficiently, providing consistent and high-quality results every time. At LIFENG China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Drill Machine is a testament to our commitment to excellence and customer satisfaction.



#### 4. Single Edger

##### Single Edger : LIFENG China



**Machine Photo**

LIFENG China's Single Edger is a cutting-edge glass processing solution that provides precision edging of glass sheets. With its advanced technology and design, this machine is capable of handling glass sheets of varying thicknesses, providing consistent and high-quality edging results. The Single Edger is designed to operate efficiently, minimizing production time and increasing productivity. The machine is user-friendly, easy to operate, and requires minimal maintenance, making it an ideal solution for glass processing companies of all sizes. At LIFENG China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Single Edger is a testament to our commitment to excellence and customer satisfaction.

#### 5. Double Edger :

##### Double Edger : HISENG China - Size : Max 4200 mm x 2440 mm - Min. 420 mm x 420mm



**Machine Photo**

Hiseng China's Automatic Grinding Machine is a highly advanced and reliable solution that provides accurate, efficient and elegant quality of glass sheets. Its PLC control system to set the parameters through the monitor interface to complete the processing at one time. The stable and solid base structure contribute to precise and fast with adjustment system. The polishing spindles can be selected pneumatic polishing or automatic feeding polish which improving the polishing quality and reduce the labor intensity of workers. At HISENG China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Polishing Machine is a testament to our commitment to excellence and customer satisfaction.

#### 6. Hi-tec Washing Machine :

##### Hi-tec Washing Machine : LIFENG China - Size : 4270 mm x 244 mm




**Machine Photo**

LIFENG China's Hi-tec Washing Machine is an advanced solution for cleaning and washing glass sheets. With its cutting-edge technology and design, this machine provides a thorough and efficient cleaning process, removing dirt, grime, and other contaminants from the glass surface. The Hi-tec Washing Machine is designed to work seamlessly with different types of glass, including tempered, laminated, and coated glass. The machine's user-friendly interface and automated features ensure that the washing process is consistent, efficient, and reliable. At LIFENG China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Hi-tec Washing Machine is a testament to our commitment to excellence and customer satisfaction.


**7. Horizontal Tempering Line :**

**Horizontal Tempering Line (LANDGLASS) - Size : 2440mm x 4270mm**

	<p>State of Art Horizontal Tempering Line (LANDGLASS) is loaded with full Convection furnace offering wide range of high performance glass (ST, ET, KT &amp; SKN Series of SAINT GOBAIN) and other equivalent glasses producers like AIS and GUARDIAN. We use most energy efficient tempering technologies (30 Kw Blower for 10 to 19 mm full tempered glass) with fully Automatic CNC controlled interface.</p>
<p><b>Machine Photo</b></p>	

**8. DGDS Insulating Glass Units:**


**DGDS Insulating Glass Units (IGU) Line (WEILI)**

	<p>State of Art DGDS Insulating Glass Units (IGU) Line (WEILI) is a fully Automatic CNC controlled interface panels line for specially designed for more complexes and latest glazing panels up to 70 mm width. Our innovative IGU line is capable to produced Double, Triple and Step glazing panels for complexes shapes and sizes. We have Latest Bendable Spacer Technology to eliminate the Corner Keys which is an obstacle for long and dependable performance of DGDS panels. We do not use keys as the Spacers and Bended at joints in shapes and sizes and only one straight key is use.</p>
<p><b>Machine Photo</b></p>	<p>Automatic Desiccant Machine fills the Molecular Sieve (below 1mm Diameter) desired and accurate quantity to guarantee the panel performance and its life.</p>
	<p>The Line is placed in Basement and within a sealed air-conditioned enclosure to maintained the temperature and Humidity level for trapped air for best results even the inherent Gasses like Organ not used.</p>

**B. Plant & Machinery at factory UNIT – II:**

**1. Cutting Line:**

**Cutting Line: Bisse Intermac - Max Size : 3000MM X 6000 MM**

	<p>Genius CT-NEXT is the range of 3-axis cutting tables for making straight and shaped cuts on sheets of float glass. They combine perfectly with loading systems and can be interfaced with shearing benches.</p>
<p><b>Machine Photo</b></p>	<p>It is an Intermac-patented technology that allows three different type of cut (straight, curved, open curve) to be made on a single sheet, using the most appropriate tool each time. This greatly improves the quality of the end result.</p>

## 2. Automatic Glass Loader:

### Automatic Glass Loader: Humam China - Max Size: 3000MM X 6000MM



Machine Photo

HUMAM China's Automatic Glass Loader is a state-of-the-art solution that provides efficient and reliable loading of glass sheets into the production line. With its advanced technology and precision, this glass loader ensures the safe and accurate handling of glass sheets, minimizing the risk of damage and improving productivity. The Automatic Glass Loader is designed to work seamlessly with various types of glass, and it can handle different sizes and thicknesses of glass sheets. At HUMAM China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Automatic Glass Loader is a testament to our commitment to excellence and customer satisfaction.

## 3. Automatic Drill Machine :

### Automatic Drill Machine : Xianya Glass Machinery China - Size :- Max Dia 200mm, Min. Dia 6mm



Machine Photo

XGM China's Automatic Drill Machine is a highly advanced and reliable solution that provides accurate and efficient drilling of glass sheets. With its cutting-edge technology, this drill machine can handle different sizes and thicknesses of glass sheets with precision and speed, minimizing production time and maximizing productivity. The Automatic Drill Machine is designed to operate smoothly and efficiently, providing consistent and high-quality results every time. At XGM China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Drill Machine is a testament to our commitment to excellence and customer satisfaction.

## 4. Single Edger:

### Single Edger: LIFENG China



Machine Photo

LIFENG China's Single Edger is a cutting-edge glass processing solution that provides precision edging of glass sheets. With its advanced technology and design, this machine is capable of handling glass sheets of varying thicknesses, providing consistent and high-quality edging results. The Single Edger is designed to operate efficiently, minimizing production time and increasing productivity. The machine is user-friendly, easy to operate, and requires minimal maintenance, making it an ideal solution for glass processing companies of all sizes. At LIFENG China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Single Edger is a testament to our commitment to excellence and customer satisfaction.

**5. Double Edger:**

**Double Edger: Golive China - Size : Max 6000 mm x 3000 mm - Min. 420 mm x 420mm**



**Machine Photo**

GOLIVE China's Automatic Grinding Machine is a highly advanced and reliable solution that provides accurate, efficient and elegant quality of glass sheets. Its PLC control system to set the parameters through the monitor interface to complete the processing at one time. The stable and solid base structure contribute to precise and fast with adjustment system. The polishing spindles can be selected pneumatic polishing or automatic feeding polish which improving the polishing quality and reduce the labor intensity of workers. At GOLIVE China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Polishing Machine is a testament to our commitment to excellence and customer satisfaction.

**6. Hi-Tec Washing Machine:**

**Hi-Tec Washing Machine: SGM China - Size: 6000 mm x 3000 mm**



**Machine Photo**

SGM China's Hi-tec Washing Machine is an advanced solution for cleaning and washing glass sheets. With its cutting-edge technology and design, this machine provides a thorough and efficient cleaning process, removing dirt, grime, and other contaminants from the glass surface. The Hi-tec Washing Machine is designed to work seamlessly with different types of glass, including tempered, laminated, and coated glass. The machine's user-friendly interface and automated features ensure that the washing process is consistent, efficient, and reliable. At SGM China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Hi-tec Washing Machine is a testament to our commitment to excellence and customer satisfaction.

**7. Horizontal tempering Line:**

**Horizontal tempering line (Mountain) - MAX SIZE: 3000mm x6000mm**




**Machine Photo**

State of Art Horizontal Tempering Line (Mountain) is loaded with full Convection furnace offering wide range of high performance glass (ST, ET, KT & SKN Series of SAINT GOBAIN) and other equivalent glasses producers like AIS and GUARDIAN. We use most energy efficient tempering technologies with fully Automatic CNC controlled interface.

**8. Laminate Safety Glass:**

**Laminate Safety Glass: Hangdong - Minimum Glass Size: 250mm X 550mm - Maximum Glass Size: 3000mm X 6000mm**

	<b>Machine Photo</b>	<p>At ATGIL Laminate safety glass is made conforming to the International standards with a world class manufacturing line for lamination.</p> <p>Laminate safety glass is a type of safety glass that holds together by sandwiching a layer of Polyvinyl Butyral between pairs of glasses.</p> <p>Elegance at a Glance...</p>
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### CAPACITY AND CAPACITY UTILIZATION

Particulars	Unit I	Unit II
Production Capacity	- Toughened Glass 6,12,000 Sq. Mt / Year - IGU Glass: 90000 SQMT/YEAR	- Toughened Glass 10,80,000 Sq. Mt / Year - Lamination Glass 150,000 Sq. Mt / Year
Input Output Ratio (%)	- Toughened - 100:90 - IGU: 1:01	- Toughened - 100:90 - Laminated Glass: 1:02
Scrap Ratio (%)	- Toughened :10% - IGU: 0%	- Toughened :10% - Lamination: 2%
Maximum Size (Production)	- Toughened: 2440 MM X 4270 MM - IGU: 2000 MM X 3000 MM	- Toughened: 3000MM X 6000MM - Lamination: 3000MM X 6000MM

#### Unit I: F-2264, Ramchandrapura Industrial Area, Sitapura Ext. Jaipur-(RJ.) 302022

Particulars	September 30, 2024	FY 2024	FY 2023	FY 2022
<b><u>Installed Capacity (in SQMTPA)</u></b>				
*Toughened Glass	612,000	612,000	612,000	612,000
**IGU Glass	90,000	90,000	90,000	90,000
<b><u>Capacity Utilized (in SQMTPA)</u></b>				
Toughened Glass	1,48,720.00	351,167.60	271,690.18	273,221.28
IGU Glass	18,460.00	42,957.00	39,531.87	36,292.19
<b><u>Utilized Capacity (in %)</u></b>				
Toughened Glass	24.30	57.38	44.39	44.64
IGU Glass	20.51	47.73	43.92	40.32

#### Unit II – F-2236, Ramchandrapura Industrial Area, Sitapura Ext. Jaipur-(RJ.) 302022

Particulars	September 30, 2024	FY 2024	FY 2023	FY 2022
<b><u>Installed Capacity (in SQMTPA)</u></b>				
Toughened Glass	10,80,000	1,080,000	1,080,000	-
Lamination Glass	150,000	150,000	150,000	150,000
<b><u>Capacity Utilized (in SQMTPA)</u></b>				
Toughened Glass	102801.59	-	-	-
Lamination Glass	33417.00	69,852.80	39,514.80	22,849.80
<b><u>Utilized Capacity (in %)</u></b>				
Toughened Glass	9.5%	-	-	-
Lamination Glass	22.30%	46.57	26.34	15.23

Our company manufactures products on an order-by-order basis, according to the technical parameters, size, cutting, polishing, and so on provided by our end users, i.e. customers, when making an order with us. It is our goal to deliver the same technical specifications and float glass selection that our customer has confirmed from a specific float glass producer. After receiving the order, our firm will get such raw material from a float glass producer in accordance with the technical specifications agreed by our customer. Our procurement of float glass will depend on the availability of material with the float glass producer, as well as the timing of procurement of the float glass manufacturer.

Our company's production will be determined by the size of the order, its technical specifications, the availability of raw materials from float glass producers (thicknesses ranging from 0.4mm to 25mm), and the customer's commitment schedule. Due to a variety of external reasons, our toughened glass process timeline will be tight, with a wide range of orders being completed within that time frame. This will vary depending on the materials available at our factory premises. Our profit margin will also depend on the volume of orders; it is not necessary that our margin remain constant, but it varies according to the size of the order and the usage of our machinery, electricity, personnel, and so on.

Due to variations in demand and supply ratios from float glass manufacturers, our organization must maintain a substantial amount of inventory in order to satisfy our customer's delivery schedule.

Our organization received orders that can be classified into three categories based on their size and kind of work: large scale projects, medium scale projects, and low scale projects. There is a significant disparity in production between the three groups. Large-scale projects that produce the same type of glasses with common technical parameters have a shorter production loss time than middle-scale projects, whereas low-scale projects have a much higher production loss time, which has a direct impact on plant and machinery capacity.

The scaling of orders also directly impact the working capital cycle, because if company want to procure a large scale project it requires large amount of working capital depends on size of project and type of glasses, that's why we required to hold the inventory as per the age of particular project and to complete any order we have to procure complete range on inventory within a short duration cycle from supplier and supply the same as per our own production schedule and requirement by vendor/end user.

Our Company deals with lower and middle scale projects based on working capital availability and profitability. commercial production in unit-I is already underway, and commercial production in unit-II began on August 1, 2022. The production capacity of Unit-I is now being used for middle and low scale projects because we will maximize the production of those float glasses that covered high quality lower volume glasses under middle scale projects.

### Quality Control

We place emphasis on quality control. We inspect the raw materials we receive, work-in-progress and final products. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production to inventory storage. Our manufacturing unit has one dedicated personnel who are responsible for monitoring the parameters of equipment, technical parameters of materials, reporting any irregularities in the raw material and manufacturing process and making adjustments accordingly.

**Our Company has following test equipment's as approved by ISI/ BSI mark**

Sr. No.	Test equipment	Pertains to test
1	A visual large board	For a Test of Distribution of allowable defects
2	Vernier calipers, micrometer and measuring tape	For verification of thickness, dimensions, squareness, and edge displacement
3	Hammer, string loaded punch, 50mm <sup>2</sup> template marker	Fragmentation test (6.1 of IS 17004)
4	Dual roller wave gauge, zebra board	Flatness
5	Glass frame and bow	Resistance to shock, resistance to human impact
6	Polished edge6	Edge working of glass for toughening

### Procurement of clients/ sales and marketing of products

The marketing strategy is the backbone of our organization, so we follow certain practices for promoting our products, such as area-based marketing, which is normal practice in our industry. Our organization has a dedicated marketing team for such campaigns. The marketing team follows the directions supplied by the area sales manager (ASM) and functions accordingly. All area sales managers report to the head of the marketing department on a daily basis using our company's Management Information System (MIS) requirements.

All ASM's are working as per their nomination for particular zone and / or area allocated to them and have been asked to furnish details of each project under constructions and estimated cost of project etc., on finding such details the same will be submitted to ASM who in turn prepare MIS and submit for necessary persuasion and follow up for vital order for the company. On submission of MIS report our professional team will visit such project supervisor and technicians for constant follow up till we get final order for our product to be used for such project. Our management team appreciate such efforts for procurement of business.

Our Company do the procurement of clients/sales in following manner: Our sales / clients covered under four major categories-

- a. Direct Sales/Clients – Customers directly approach the company for the specific requirement of toughened glasses as per their specification of Size and nature on procurement of such order our company process toughened glass and either have it delivered or if clients prefer to take delivery will also be provide on agreed terms.
- b. Through Projects Sales: The customers directly approach to the suppliers of glasses (i.e. Saint Goabin, Gujarat Gurdian, AIS, Sisecam glass etc.) and then supplier will approach to our company to complete the designated projects with pre decided glass category on agreed terms and conditions. On receipt of such order our company will procure the float glass from the particular glass company and our company do the processing and supply of such pre-decided glass to our customer, now in this category the technical parameters are pre decided by supplier of float glasses and we will use the same float glass during the toughening process and supply the same to customer.
- c. Through Fabricators: Mostly fabricators are main agents between end users and our company and in this category the Fabricators will approach to our company for supply of specific glasses as per the orders received from end user of glasses. Our Company will approach to float glass suppliers for supply of glasses as per the technical parameters received /required by end user. Since there are various varieties of float glass is being manufactured by float glass manufacturers, it is our duty to procure such pre-requisite float glass in time from such float glass manufacturer as they have different variety of glass being manufactured and our delivery schedule is required to be maintain as per our commitment under the situation our company may have to procure such float glass in advance to avoid any delay.
- d. Newly added vendors and retail sales: Sometimes companies received the orders from some new vendors or from some retail customers and as per the production schedule and size of orders we will supply for the same because in comparison with others the margin ratio is high and also helpful for adding new vendors and customers.

### **Sales and Marketing Strategies**

The term Business-to-Consumer (B2C) refers to the process of selling products and services directly between Our Company and consumers who are the end-users of procuring toughened glasses or related services from our company. B2C became immensely popular during the ‘‘dotcom’’ boom of the late 1990s when it was mainly used to refer to online retailers who sold products and services to consumers through the internet. As a business model, business-to-consumer differs significantly from the Business-to-Business (B2B) model, which refers to trade between two or more businesses.

Our company accepts B2C orders and usually tries to catch the eye of the consumer and elicit an emotional response to their marketing. Also, any business that relies on B2B sales must maintain good relations with its customers to ensure their frequent orders on satisfaction of material supplied by our company. Our Company do encourage such type of trade and review its possibility to improve our strength in marketing strategy and modify our terms and conditions on its feedback.

Usually, B2C customers cover some direct sales to newly added vendors in the glass sector and some vendors contact us through digital sources like websites or e-mail etc. Our company accepts orders directly from new vendors or startups to increase profitability and sometimes to review the product related feedback and other market related updates. The Company tries to connect directly with the market under the B2C method and total turnover of B2C is less than 5% of total turnover of our Company.

### **Competition**

In Indian markets, we operate in a highly competitive and fragmented industry. We encounter competition from a variety of domestic and foreign players. The major components in our plan to combat tough competition are customer relationships, reputation, employee talents, market coverage, quality, cost, delivery, technical capability, and so on. Our unique selling point is that we offer value at the end of the supply chain. Organized players include Saint-Gobain, Borosil Ltd, Asahi India Glass Ltd, Sejal Glass Ltd, and Triveni Glass Ltd, among others and in the industry, competition is based on producing high-quality, consistent, and timely products and value-added services. However, we have 6 years of expertise in this market, which not only provides us with the capacity to compete effectively, but also helps us to retain and further expand our position in the business where we ensure the sale of high-quality.

### **Environment, Health and Safety**

We are also subject to laws and government regulations, including those pertaining to safety, health, and environmental preservation. These laws and regulations include the Environmental Protection Act of 1986, the Air (Prevention and Control of Pollution) Act of 1981, the Water (Prevention and Control of Pollution) Act of 1974, and other regulations issued by the Ministry of Environment and the relevant state pollution control boards. These environmental protection rules and regulations manage air and water outflow, noise levels, storage handling, employee exposure to dangerous substances, and other areas of our manufacturing.

We strive to comply with all applicable health and safety regulations and other requirements in our operations, and we have implemented an environmental, health, and safety policy aimed at meeting legislative requirements, license, approval, and certification requirements, as well as ensuring the safety of our employees and those working at our facilities or under our management. We conduct periodic assessments of our employees' working conditions to ensure a safe working environment at our manufacturing plant. We routinely and continue to ensure that our operations comply with all applicable environmental, health, and safety standards and requirements. Our production facility is ISO 9001-2015 certified for its quality management system and food safety management system, respectively.

### **Information Technology**

We feel that information technology is a significant tool for running our business, thus we have invested in developing a solid IT system, network, and processes. Our Company has installed a specialized software called "SPY Soft ERP," which allows the specific design, parameter, dimension, cutting in a specific size, polishing, etc., to be fed in according to the needs of the client. Our state-of-the-art, fully automated plant and machinery then run the said software to manufacture and produce the required output. We use a variety of off-the-shelf IT technologies, particularly those related to communication. We have converted to the Tally Prime platform to ensure that our business runs smoothly. The Tally Prime system includes modules such as materials management, sales order processing, store balance, section-wise manufacturing, post-sales complaint handling, accounts, and finance.

### **INFRASTRUCTURE & UTILITIES**

#### ***Infrastructure***

Our production facility and registered office are well-equipped with computer systems, internet connectivity, other communication equipment, and security, among other things, to support our commercial operations. For more information, see page 125 of the Draft Red Hearing Prospectus, under the heading "Our Manufacturing Infrastructure".

#### ***Power***

Our organization has suitable power supply systems in place to ensure that our processing unit receives regular, uninterrupted electricity. We obtained a power connection from JVVNL (Jaipur Vidyut Vitran Nigam Limited) for our manufacturing unit's premises, with a sanctioned load of 850 KVA (Unit-1) and 1500 KVA (Unit-2), which is sufficient to suit our plant's needs. In the event of a power outage, we have a power backup facility on our grounds.

#### ***Water***

Water is mostly necessary for cooling items during the manufacturing process, fire safety, drinking, and sanitary purposes. Bore wells at our processing units provide us with the water we need.

#### ***Raw Material***

Our Company only sources its raw material "Float Glass" for processing activities from the domestic market and has never used imported raw material in its operations. Currently, the company does not import the raw material as the cost of the same goes higher because of the anti-dumping duty imposed by the government and the supply is adequate to cover the demand. The company requires float glass as a raw material to carry out its processing activities, which are obtained from the below states in the domestic market:

(₹ in lakhs)

September 30, 2024		FY 2023-2024		FY 2022- 2023		FY 2021- 2022	
State	Value	State	Value	State	Value	State	Value
<b>Domestic</b>							
Delhi	60.62	Delhi	54.60	Delhi	59.26	Delhi	30.88



September 30, 2024		FY 2023-2024		FY 2022- 2023		FY 2021- 2022	
State	Value	State	Value	State	Value	State	Value
<b>Domestic</b>							
Gujarat	150.17	Gujarat	165.35	Gujarat	485.73	Gujarat	974.21
Haryana	18.51	Haryana	29.42	Haryana	31.29	Haryana	0.39
Karnataka	15.98	Karnataka	7.29	Karnataka	0.00	Karnataka	0.00
Maharashtra	(0.04)	Maharashtra	40.70	Maharashtra	67.30	Maharashtra	48.05
Rajasthan	616.62	Rajasthan	1463.90	Rajasthan	1510.81	Rajasthan	973.73
Tamil Nadu	171.20	Tamil Nadu	538.01	Tamil Nadu	686.39	Tamil Nadu	216.76
Uttarakhand	7.55	Uttarakhand	15.52	Uttarakhand	32.77	Uttarakhand	95.47
<b>Grand Total</b>	<b>1040.60</b>	<b>Grand Total</b>	<b>2314.80</b>	<b>Grand Total</b>	<b>2873.55</b>	<b>Grand Total</b>	<b>2339.49</b>
<b>International</b>							
<b>China</b>	<b>23.45</b>	-	-	-	-	-	-

### Collaborations/ Tie – Ups/ Joint Ventures

Except mentioned below, as on date of this Red Herring Prospectus, our Company does not have any collaborations/tie-ups/joint ventures.

#### 1. Propel project participation agreement between Saint-Gobin India Private Limited and Our Company, Agrwal Toughened Glass India Limited.

The Propel Project Participation Agreement was executed in Chennai on January 1, 2024, between Saint-Gobin India Private Limited ("SGIPL") and our company, Agrwal Toughened Glass India Limited ("Processor"), where SGIPL is in the business of manufacturing and selling high-end performance glass and allied products and Processor is in the business of manufacturing and providing glass processing to make the suitable for use by the customer and/or end-users as their pre-decision.

#### Scope of Agreement:

SGIPL and Processor both agreed to ensure that the Products are processed and supplied to customers and/or end users, is/are as per the customer's requirements, whereas SGIPL shall provide necessary training and guidance to the Processor to improve its Production efficiency, technical and marketing capability and work methods, and the Processor shall accordingly render its service to ensure that the product is supplied (after being processed) as per the customer's requirements.

Furthermore, for each product processed under this agreement, the Processor shall use the SGIPL brand where applicable.

This most recent deal was signed on January 1, 2024, covering the period from January 1, 2024 to December 31, 2025.

### Import - Export Obligation

As on the date of filing the Draft Red Hearing Prospectus, we have no outstanding import-export obligations/liabilities.

### Insurance

Our Company has taken insurance policy related to our registered office cum manufacturing units. Following are the details of the same:

#	Type of Policy	Name of the Insurer	Period Covered	Sum Insured	Total Premium	Particulars of Insurance	Name of the Insured
1.	BURGLARY FLOATER POLICY	United India	June 5, 2024 to	₹150,000,000	₹ 2,241	Stock in Trade or Goods in the custody of the	M/s. Agarwal Toughened

#	Type of Policy	Name of the Insurer	Period Covered	Sum Insured	Total Premium	Particulars of Insurance	Name of the Insured
	[Policy Document bearing policy number as : 1413001224P103292763]		June 4, 2025			Insured- Stock (Raw material, WIP and finished goods) used in manufacturing of Toughened Glass	Glass India Private Limited
2.	Fire Policy [Policy Document bearing policy number as : 1413001124P103293499]	United India	June 5, 2024 to June 4, 2025	₹ 150,000,000	₹ 114,700	a) Plant & Machinery b) Furniture Fixture & Fittings c) Building Incl Plinth & Foundation d) Stock (Raw material, WIP and finished goods) used in manufacturing of Toughened Glass	M/s. Agarwal Toughened Glass India Private Limited
3.	Motor Insurance Policy [Policy Document bearing policy number as : M00225257]	Raheja QBE	March 13, 2023 to March 12, 2025	₹ 500,000	₹ 20,932	Mahindra Bolero- Pick up with Engine No. TBKIB33893 and Chasis No. MA1ZU2TBKK1B24248	M/s. Agarwal Toughened Glass India Private Limited
4.	Commercial Vehicle Insurance [Policy Document bearing policy number as: 10620/31/25/002178]	Shriram General Insurance Company Limited	May 9, 2024 to May 8, 2025	₹ 16,72,000	₹ 36,497	EICHER/PRO2110 with Engine & Chasis No: MC2ERHRCOPDB06126 & E446CDPD064306	M/s. Agarwal Toughened Glass India Private Limited
5.	Motor Commercial Vehicle Package Insurance [Policy Document bearing policy number as: 106020/31/25/002178]	Shriram General Insurance Company Limited	May 9, 2024 to May 8, 2025	₹ 16,72,000	₹ 27,286	Policy insured for: EICHER/PRO2110 HSD 20Ft NGB PRM BS 6 with Engine/Chasis No : E446CDPD064306 & MC2ERHRC0PDB6126	M/s. Agarwal Toughened Glass India Private Limited
6.	Private Car Package Insurance [Policy Document bearing policy number as: 2011-400501-23-1000375-01-000]	SBI General Insurance	September 1, 2024 to August 31, 2025	₹ 530,000	₹ 17,353	Maruthi Vitara Breeza with Engine No. D13A5839777 and Chasis No. MA3NYFB1SKFS57098	M/s. Agarwal Toughened Glass India Private Limited
7.	Risk assumption for Kotak Bharat Laghu Udyam Suraksha [Policy Document bearing policy number as: 3579142100]	Kotak General Insurance	August 2, 2023 to August 1, 2024	₹ 5,50,00,000	₹ 46,755	Risk Loaction: F-2236, Ramchandrapura Industrial Area, Jaipur, Rajasthan Bilwa Jaipur - 302022 District: Jaipur Rajasthan, India	M/s. Agarwal Toughened Glass India Private Limited
8.	Motor Commercial Vehicle Insurance [Policy Document bearing policy number as:  106020/31/24/010163]	Shriram General Insurance Company Limited	September 7, 2023 to September 6, 2024	₹ 255,000	₹ 16099	Policy insured for: TATA MOTORS - SFC 407/2955WB PICK-U 2016 I BS 4 with Engine No. and Chassis No. - 605900 & BO4942	M/s. Agarwal Toughened Glass India Private Limited
9.	BURGLARY STANDARD POLICY [Policy Document bearing policy number as: policy No.:1413001224P103292835]	United India	June 5, 2024 to June 4, 2025	₹ 97,500,000	₹ 1,151	Plant & Machinery Furniture Fixtures & Fittings	M/s. Agarwal Toughened Glass India Private Limited

#	Type of Policy	Name of the Insurer	Period Covered	Sum Insured	Total Premium	Particulars of Insurance	Name of the Insured
10	GOODS CARRYING VEHICLE PACKAGE POLICY [Policy Document bearing policy number as: policy No.: M00225257]	Raheja QBE	March 13, 2024 to March 12, 2025	₹ 500,000	₹ 20,313	Policy insured for: BOLERO PIK UP FB PS 1.29T with Engine no : TBK1B33893 & Chassis no : MA1ZU2TBKK1B24248	M/s. Agarwal Toughened Glass India Private Limited
11	Motor Vehicle Insurance [Policy Document bearing policy number as: policy No.: 106020/31/24/023712]	Shriram General Insurance Company Limited	January 17, 2024 to January 16, 2025	₹ 18,00,000	₹ 35,473	TATA MOTORS - LPT 1512G DCR 42 CBC 125 B6 M5 with Engine no : 3.8SGI81KYX807449 & Chassis no : MAT563015MAK05649	M/s. Agarwal Toughened Glass India Private Limited
12.	Motor Vehicle Insurance -[Policy Document bearing policy number as: Policy No.: 3311/01709240/000/00]	Cholaman dalam MS General Insurance Co. Ltd.	July 29, 2024 to July 28, 2025	₹ 7,50,000	₹ 25,767	Verna with Engine no: D4FAMM304399 & Chassis no: MALCMIFLMMZ84232	M/s. Agarwal Toughened Glass India Private Limited
13.	SBI General Saral Bharat Laghu Udyam Suraksha [Policy Document bearing policy number as: 0000000040238191]	SBI General Insurance Company Limited	August 3, 2024 to August 2, 2025	₹ 5,50,00,000	₹ 24,775	Risk Location: F 2236, Ramchandrapur A industrial area, Bilwa, jaipur, Rajasthan-302022.	M/s. Agarwal Toughened Glass India Limited
14.	Burglary Insurance Insurance [Policy Document bearing policy number as: policy No.: 0000000040238234]	SBI General Insurance Company Limited	August 3, 2024 to August 2, 2025	₹ 5,50,00,000	₹ 1,185	Risk Location: F 2236, Ramchandrapur A industrial area, Bilwa, jaipur, Rajasthan-302022.	M/s. Agarwal Toughened Glass India Limited
15.	Motor Vehicle Insurance - [Policy Document bearing policy number as: Policy No.: 106020/31/25/010750]	Shriram General Insurance Company Limited	September 7, 2024 to September 6, 2025		₹ 19329.00	TATA MOTORS - SFC 407/2955WB PICKUP I BS 4  ENGINE NO. & CHASSIS NO: 605900 & B04942	M/s. Agarwal Toughened Glass India Limited

## Human Resources

We feel that our employees make significant contributions to our company's success. As of September 30, 2024, we had 207 employees, including our directors, who oversee our company operations, administrative, secretarial, marketing, and accounting responsibilities in accordance with their respective objectives. Below is a department-wise employee breakdown.:

Department	No of employees
Management	2
Finance Department	5
Human Resource Department	4
Sales & Marketing Department	10
Purchase & Procurement Department	5
Legal and Compliance Department	2
Production	179
<b>TOTAL</b>	<b>207</b>

As of the date of filing this Red Herring Prospectus, all employees and workers are permanent members of our Company, and we do not have contract labour.

## Our Properties

The detail of our property owned by us is as follows:

Purchase Agreement	Name of the Vendor	Owned	Location of the Property	Purchase Cost (in ₹)	Purpose
30-09-2020	Smt. Babita Vasudev Agarwal	Owned	Plot No. S-9A, Shree Gopal Nagar – S, Gopalpura Bypass, Jaipur – 302019 Rajasthan, India	5.00 Crores	Used for Agarwal Food & Beverages *
14-10-2024	Pratham Enterprise	Owned	F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India	1.80 Crores	For future expansion

\* Our company has acquired the said property from Smt. Babita Vasudev Agarwal vide sale deed dated September 30, 2020, at a total consideration of ₹ 5,00,00,000/- and the same was registered in the name of our Company. Out of total area only ground floor premises have been let out to M/s. Agarwal Foods & Beverages owned by Mrs. Anita Uma Shankar Agarwal on a monthly rent of ₹ 25,000/- vide rent agreement dated February 01, 2024.

The detail of our property leased by us is as follows:

Agreement Date; Lease Period	Name of the Lessor	Leased	Location of the Property	Lease Fee (in ₹)	Purpose
27-06-2010; for 99 years w.e.f. 27-06-2010	Rajasthan State Industrial Development & Investment Corporation Limited, Jaipur – 302005, Rajasthan, India	Leased	F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India	20,870 p.a.	Used as Registered office & Factory Unit – 1
27-10-2017; for 99 years w.e.f. 27-10-2017	Rajasthan State Industrial Development & Investment Corporation Limited, Jaipur – 302005, Rajasthan, India	Leased	F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India	37,800 p.a.	Used as Factory Unit - 2

## Intellectual Property



Our Company uses “Agarwal” brand logo for and our corporate logo is:

The Company has registered the following trademarks:

Trademark No.	Description	Issuing authority	Applicant	Status	Date of Application	Date of expiry	Trademark
3165627	TOUGHENED GLASS, INSULATED GLASS, GLASS, GLASS PANELS, SAFETY GLASS, LAYERED GLASS UNDER CLASS 19.*	Registrar of Trademarks, Trade Marks Registry, Mumbai	The Company	Registered	21/01/2016	21/01/2026	
3969206	TOUGHENED GLASS, INSULATED GLASS, GLASS, GLASS PANELS, SAFETY GLASS, LAYERED GLASS UNDER CLASS 19.	Registrar of Trademarks, Trade Marks Registry, Mumbai	The Company	Registered	10/10/2018	10/10/2028	

*Note: the above-mentioned trademarks are under the name of Agarwal Toughened Glass India Private Limited. Our Company is yet to make application for changing the name from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited”*

*\*Agarwal Float Glass India Limited, a member of our group company, has received non-objections certificate from Our Company to use our logo in their communications and other uses vide non-objections certificate dated April 04, 2018.*

Our Company has confirmed that no other applications have been made by our Company nor has it registered any other type of intellectual property including trademarks/copyrights/patents etc as on the date of this Red Hering Prospectus.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and our Subsidiary and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company and our Subsidiary are under no obligation to update the same.*

### **A. INDUSTRY RELATED LAWS AND REGULATIONS**

#### ***Bureau of Indian Standards Act, 2016 (“BIS Act”)***

The BIS Act provides for the establishment of the Bureau of Indian Standards (“BIS”) for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

#### ***The Micro, Small and Medium Enterprises Development Act, 2006 r/w Industries (Development and Regulation) Act, 1951***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

#### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The LM Act has replaced the Standards of Weights and Measures Act 1976 and the Standards of Weight & Measurement (Enforcement) Act 1985. It seeks 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. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing with instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any noncompliance or violation under the LM Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

#### ***The Static and Mobile Pressure Vessels (Unfired) Rules, 2016 (the “SMPV Rules”)***

The SMPV Rules had been introduced for the purpose of regulating the manufacture, filling, delivery, import and repair to pressure vessels. Under the SMPV Rules, any person who desires to store or transport compressed gas needs to obtain a license for storage and transportation of such gas. The SMPV Rules further prescribe conditions under which the licenses can be granted, amended, renewed, suspended or cancelled.

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

The Indian Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### ***Shops and Establishments Legislations***

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “*Sale of Goods Act*”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

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

The Registration Act, 1908 (the “*Act*”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in 129 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 stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***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 protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer

grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling, or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

### ***The Consumer Protection (E-Commerce) Rules, 2020 (the “Consumer Protection Rules”)***

The Central Government has notified the Consumer Protection (E-Commerce) Rules, 2020, in exercise of its powers conferred by the Consumer Protection Act, 2019. The Consumer Protection Rules primarily envisages the duties & liabilities of ecommerce entities involved in marketing and selling goods and services to the consumer on the online platform. The Consumer Protection Rules will be applicable to all electronic retailers (e-tailers), registered in India or abroad but offering goods and services to Indian consumers. It empowers the Central Government to act against unfair trade practices in e-commerce, direct selling. They require e-tailers to facilitate easy returns, address customer grievances and prevent discriminating against merchants on their platforms. The Consumer Protection Rules will apply to all goods and services bought or sold over any digital platform; all models of e-commerce including marketplace and inventory models of e-commerce; all e-commerce retail, including multi-channel single brand retailers and single brand retailers in single or multiple formats; all forms of unfair trade practices across all models of e-commerce. The Consumer Protection Rules are equally applicable on the foreign registered e commerce entity offering goods and services to consumers in India.

### ***The Specific Relief Act, 1963 (the “Act”)***

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

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

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

## ***B. INTELLECTUAL PROPERTY LAWS***

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. These property rights allow the holder to exercise a monopoly on the use of the item for a specified period.

### ***The Trademarks Act, 1999 (the “Trademarks Act”)***

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.



### ***The Designs Act, 2000 (the “Designs Act”)***

The Designs Act prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and inter alia, provides for application for registration of designs, copyright in registered designs, etc. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or s or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

### **C. TAX LAWS**

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income-tax Act 1961, the Income-tax Rules, 1962, as amended by the Finance Act in respective years;
- Central Goods and Services Tax Act, 2017, the Central Goods and Services Tax Rules, 2017 and various state-wise legislations made thereunder;
- The Integrated Goods and Services Tax Act, 2017 and rules thereof;
- Professional tax-related state-wise legislations;
- Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and

### **D. ENVIRONMENTAL LAWS**

#### ***The Environment (Protection) Act, 1986 (“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 the discharge or emission of 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.

#### ***E-Waste Management Rules, 2016 (the “E-Waste Rules”)***

The E-Waste Rules apply to every manufacturer, producer, consumer, bulk consumer, collection centres, dealers, e-retailer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, collection, storage and processing of e-waste or electrical and electronic equipment as classified under the E-Waste Rules, including their components, consumables, parts and spares which make the product operations. The E-Waste Rules mandate that a manufacturer must obtain an authorisation from the state pollution control board and also submit annual returns to the same Authority. Producers of such e-waste also have extensive responsibilities and obligations and may come under the scrutiny of either the central pollution control board or the state pollution control board. The manufacturer, producer, importer, transporter, refurbisher, dismantler and recycler shall be liable for all damages caused to the environment or a third party due to improper handling and management of the e-waste and may have to pay financial penalties as levied for any violation of the provisions under these rules by the state pollution control board with the prior approval of the central pollution control board.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)***

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. 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. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage

or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

***Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)***

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. Such person also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The central pollution control board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”) as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

***E. FOREIGN TRADE REGULATIONS***

***The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)***

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the FTA, including formulation and implementation of the Export-Import (“EXIM”) Policy.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“IEC”) granted by the Director General of Foreign Trade pursuant to Section 7 of the FTA. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. Failure to mention IEC number attracts a penalty of not less than ₹10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made, whichever is made. The IEC shall be valid until it is cancelled by the issuing authority

***Foreign Investment Laws***

Foreign investment in India is governed by the provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“FEMA Rules”) along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Under the FEMA Rules and Consolidated FDI Policy (effective October 15, 2020), 100% foreign direct investment is permitted in single brand product retail trading sector, under the automatic route, subject to certain conditions specified thereunder. Further, in the event of foreign direct investment beyond 51%, the investee entity is also required to comply with certain local sourcing norms as specified in the FEMA Rules and the Consolidated FDI Policy. In terms of the FEMA Rules, the total holding by each FPI, or an investor group shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together with effect

from April 1, 2020, will be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%), unless reduced by way of passing a special resolution.

#### **F. EMPLOYMENT RELATED LAWS**

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

##### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume 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. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

##### ***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 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 Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code.

##### ***Employees State Insurance Act, 1948, as amended (the "ESIC Act")***

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

##### ***The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there***

### *under (“Schemes”)*

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the “Employees Provident Fund Scheme”, “Employees Deposit-linked Insurance Scheme” and the “Employees Family Pension Scheme”. Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. 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.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favours or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

### *The Maternity Benefit Act, 1961 (the “Act”)*

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### *Payment of Gratuity Act, 1972*

Gratuity is a lump sum payment made by an employer as the retrieval reward for his past service when his employment is terminated. The provisions of the Act are applicable on all the establishments in which ten or more employees were employed on any day of the preceding twelve months and as notified by the government from time to time. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A thereafter whenever there is any change in the name, address or in the change in the nature of the business of the establishment a notice in Form B has to be filed with authority. An employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, superannuation, death or disablement. The maximum amount of gratuity payable shall not exceed ₹ 3.50 Lakhs. Further, every employer has to obtain insurance for his liability towards gratuity payment to be made under payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

## **G. GENERAL CORPORATE AND OTHER ALLIED LAWS**

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Anti-Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 2013 are also applicable to the Company.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was incorporated on October 30, 2009 as 'Agarwal Toughened Glass India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 30, 2009 issued by the Registrar of Companies, Rajasthan. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on January 2, 2023, and by the Shareholders in an Extraordinary General Meeting held on January 30, 2023 and consequently the name of our Company was changed to 'Agarwal Toughened Glass India Limited' and a fresh certificate of incorporation dated March 6, 2023 was issued by the Registrar of Companies, Jaipur. The corporate identity number of our Company is U26109RJ2009PLC030153.

### **Change in registered office of our Company**

The Registered Office of our Company at the time of incorporation was situated at Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura By Pass Road, Jaipur - 302 018, Rajasthan, India.

The details of changes made to our Registered Office post incorporation of our Company are provided below:

Effective date of change	Details of change	Reason(s) for change
August 2, 2016	The registered office of our Company was changed from Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura By Pass Road, Jaipur - 302 018, Rajasthan, India to F-2264, RIICO Industrial Area, Ramchandrapura, Sitapur (Ext.), Jaipur - 302 022, Rajasthan, India	Due to administrative reasons

### **Main Objects of our Company**

The main objects of our Company are as follows:

*“To carry on in India or elsewhere the business as manufactures, wholesalers, distributors, retailers, importers, exporters, agents, brokers, designers, fabricators, processors, suppliers and generally to deal in and to treat, refine, melt, blow, manipulable, prepare, finish, polish, mix, grade, operate, develop and modify all shapes, sizes, varieties, dimensions, decorations, specification and application of glasses, glass sheets. glass moulds, bulbs, glass, tubes, glass, articles, glass bottles, glass equipments, bangles, beads, jewelleryes, scientific glasses, polished glasses, water glasses. looking glasses. optical glasses, lenses, sheet glasses, multi colored glasses, safety glasses, try hid. glass, float glasses. fiber glasses, mirrors. and all kinds of glasses used in laboratories, buildings. automobiles, optical, railways. hospitals, domestic, industrial, commercial or other places of whatsoever natural and to carry on foregoing activities for law materials, consumables. intermediates. ingredients and substances connected thereto.”*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder's resolution	Nature of amendments
March 17, 2014	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹5,00,000 divided into 50,000 Equity Shares of face value of ₹ 10 each to ₹ 2,25,00,000 divided into 22,50,000 Equity Shares of face value of ₹ 10 each.
October 30, 2015	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 2,25,00,000 divided in to 22,50,000 Equity Shares of face value of ₹ 10 each to ₹ 2,50,00,000 divided into 25,00,000 Equity Shares of face value of ₹ 10 each.
July 28, 2017	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 2,50,00,000 divided in to 25,00,000 Equity Shares of face value of ₹ 10 each to ₹ 2,80,00,000 divided in 28,00,000 Equity Shares of face value of ₹ 10 each.
March 9, 2018	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 2,80,00,000 divided into 28,00,000 Equity Shares of face value of ₹ 10 each to ₹ 3,20,00,000 divided into 32,00,000 Equity Shares of face value of ₹ 10 each.

Date of shareholder's resolution	Nature of amendments
March 30, 2019	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 3,20,00,000 divided into 32,00,000 Equity Shares of face value of ₹ 10 each to ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of face value of ₹ 10 each.
March 24, 2021	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of face value of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹ 10 each.
September 15, 2022	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹ 10 each to ₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of face value of ₹ 10 each.
January 30, 2023	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of face value of ₹ 10 each to ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of face value of ₹ 10 each.
January 30, 2023	Our Company was converted into a public limited company and consequently the name of our Company was changed to 'Agarwal Toughened Glass India Limited'. Accordingly, Clause I of the MoA was amended to reflect the change in name of our Company, post its conversion.

### Corporate profile of our Company

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 113, 153 and 178 respectively, of this Red Herring Prospectus.

### Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation:

Year	Events
2010	Our Company had set up its first manufacturing unit at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapur (Ext.), Jaipur - 302 022, Rajasthan, India for manufacturing Toughened Glass.
2022	Our Company expanded its manufacturing capacity by setting up an additional manufacturing unit at F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302 022, Rajasthan, India for manufacturing Toughened Glass.

### Key awards, accreditations and recognitions

The table below sets forth some of the key awards, accreditations and recognitions received by our Company in its history since its incorporation:

Year	Events
2017	Certified from SAINT-GOBAIN GLASS for successfully passing a saint-gobain glass inspection on the heat treatment & insulation process qualifying it for the processing of KT-SERIES.
	We received a certificate of validation from Asahi India Glass Limited, confirming that our Company is technically qualified and skilled to process ecosense enhance & exceed high performance glass range.
	TUV India Private Limited issued a certificate confirming that the management system of our Company were compliant with the ISO 9001:2015 for processing of float glass for toughened glass and multiple walled insulated units of glass.
2019	Our Company was bestowed with "Worldwide Achievers" award at Business Leaders Awards, 2019 for Best Manufacturer of Toughened Glass in India.
	Our Promoter, Mahesh Agarwal received the title of "Preferred Business Partner" from Gujarat Guardian Limited at the Fabricator Meet-2019, Jaipur.
	Our company was appointed as an authorized dealer of Sisecam Flat Glass India Limited for the period of 2019-2021
2020	Our Company received a certification marks license from Bureau of Indian Standards (2553 (part-1):1990 for its safety glass (architectural building and highway)
	Saint-Gobain India Private Limited confirmed and affirmed the ability of our Company to process various types of glass.
	Asahi India Glass Limited certified that our Company is technically qualified and skilled to process AIS high performance glass till Ecosense exceed Solar Control Single Low-E Series.

Year	Events
2021	Our Company was appointed as an authorized dealer of Asahi India Glass Limited for the period 2021-2024.
	Our Company successfully passed the inspection carried out by Saint-Gobain India Private Limited on heat treatment & insulation process, thus qualifying us for the processing of SGG SKN SERIES for the said company.
	Gujarat Guardian Limited certified our Company as “Sunguard Select Processor” upon inspecting our capability of processing tempered, heat strengthened, insulation of glass for Guardian Sunguard High Performance & DS Series.
2023	Our Promoters, Umashankar Agarwal and Mahesh Agarwal were bestowed with “Shubh Business Icon Award, 2022” by All Rajasthan Trade and Industry Association (ARTIA) sponsored by “BIKAJI” for meritorious performance in glass manufacturing.
	Our Promoter, Mahesh Agarwal was bestowed with and award for excellence by Forti Youth Icon Award.
	Saint-Gobain Assured ELITE Member – An Initiative for Original Products in 2023.
	Our Company successfully passed the inspection carried out by Saint-Gobain India Private Limited on heat treatment & insulation process, thus qualifying us for the processing of SGG SKN SERIES for the said company.
2024	Our Company qualified as the member of ELITE club of the Saint-Gobain Assured Programme
	Our Company successfully passed the inspection carried out by Saint-Gobain India Private Limited on heat treatment & insulation process, thus qualifying us for the processing of SGG SKN SERIES for the said Company.

### **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

As of date of this Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

### **Holding Company**

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

### **Subsidiaries of our Company**

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary.

### **Associate or Joint ventures of our Company**

As on the date of this Red Herring Prospectus, our Company does not have any associate or joint ventures.

### **Strategic and Financial Partners**

As on date of this Red Herring Prospectus our Company does not have any strategic and financial partners.

### **Capacity/facility creation, location of plants**

For details with respect to our capacity/facility creation, location of plants, see “*Our Business*” on page 113 of this Red Herring Prospectus.

**Launch of key products or services, entry into new geographies or exit from existing markets**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” and “*Major events and milestones in the History of our Company*” on pages 113 and 149 respectively of this Red Herring Prospectus.

**Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

**Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Guarantees given by Promoters offering its shares in the Offer for Sale**

Except as stated in “*Financial Indebtedness*” on page 174 of this Red Herring Prospectus, our Promoters have not given any guarantees on behalf of our Company.

**Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

There are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Red Herring Prospectus.



## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of our Company shall be as per the applicable provisions of the Companies Act, 2013. As on date of this Red Herring Prospectus, we have six (6) Directors on our Board, which includes one (1) Managing Director, one (1) executive director, one (1) Non-Executive Director, and three (3) Independent Directors. Our Board of Directors comprises of two (2) Women Directors of our Company.

Set forth below, are details regarding our Board as on the date of this Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Anita Agarwal</b></p> <p><b>DIN:</b> 09740258</p> <p><b>Date of Birth:</b> November 3, 1977</p> <p><b>Designation:</b> Chairman and Managing Director</p> <p><b>Address:</b> Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur - 302 015, Rajasthan, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from March 6, 2023 to March 5, 2028</p> <p><b>Period of Directorship:</b> Director since September 28, 2022</p> <p><b>Nationality:</b> Indian</p>	47	Nil
<p><b>Mahesh Kumar Agarwal</b></p> <p><b>DIN:</b> 02806108</p> <p><b>Date of Birth:</b> January 8, 1977</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur – 302 018, Rajasthan, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since Incorporation</p> <p><b>Nationality:</b> Indian</p>	47	<ol style="list-style-type: none"> <li>1. Agarwal Fortune India Limited; and</li> <li>2. Agarwal Float Glass India Limited</li> </ol>
<p><b>Uma Shankar Agarwal</b></p> <p><b>DIN:</b> 02806077</p> <p><b>Date of Birth:</b> March 28, 1974</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur - 302 015, Rajasthan, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p>	50	Agarwal Float Glass India Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Period of Directorship:</b> Director since Incorporation</p> <p><b>Nationality:</b> Indian</p>		
<p><b>Nitin Ghanshyam Hotchandani</b></p> <p><b>DIN:</b> 08569325</p> <p><b>Date of Birth:</b> May 3, 1988</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Kardhani Shopping Center, B- 230 Malviya Nagar, Jaipur – 302 017, Rajasthan, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from March 6, 2023 to March 5, 2028</p> <p><b>Period of Directorship:</b> Director since March 6, 2023</p> <p><b>Nationality:</b> Indian</p>	36	<p><i>Companies</i></p> <ul style="list-style-type: none"> <li>• Umang Boards Limited;</li> <li>• Transworld Furtichem Limited (Formerly known as Transworld Furtichem Private Limited); and</li> <li>• Agribio Spirits Limited (Formerly known as Beekay Niryat Limited)</li> </ul> <p><i>LLP's</i></p> <p>GKH &amp; Partners LLP</p>
<p><b>Shalini Sharma</b></p> <p><b>DIN:</b> 08494127</p> <p><b>Date of Birth:</b> July 17, 1990</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 2418, 2 Crossing, Bhindo Ka Rasta, Chandpol Bajar, Jaipur – 302 001, Rajasthan.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from March 6, 2023 to March 5, 2028</p> <p><b>Period of Directorship:</b> Director since March 6, 2023</p> <p><b>Nationality:</b> Indian</p>	34	India Enforcement Services Private Limited
<p><b>Ravi Torani</b></p> <p><b>DIN:</b> 06976749</p> <p><b>Date of Birth:</b> December 7, 1988</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 2-Gh-35, Shri Ram Vihar Colony, Vaishali Nagar, Ajmer – 305 001, Rajasthan, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from March 6, 2023 to March 5, 2028</p> <p><b>Period of Directorship:</b> Director since March 6, 2023</p> <p><b>Nationality:</b> Indian</p>	35	<p><i>LLP's</i></p> <ol style="list-style-type: none"> <li>1. RD Solar Solutions LLP; and</li> <li>2. Traurja Solutions LLP</li> </ol>

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

**Anita Agarwal**, aged 47 years is one of the Promoters, Chairman and Managing Director of our Company. She attended University of Rajasthan to pursue bachelor's degree in arts. She is the proprietor of M/s. Agarwal Foods and Beverages, and is responsible for overseeing the management division of the proprietorship. She has more than a decade of experience in the glass industry and has been associated with our Company since September 28, 2022 and since March 6, 2023 in the capacity of Managing Director. She oversees our company's operations and establishment, playing a crucial role in shaping business strategy, manufacturing, relations, human resources, and cultivating a strong organizational culture.

**Mahesh Kumar Agarwal**, aged 47 years, is one of the Promoters and Executive Director of our Company. He has completed bachelor of commerce from Ranchi University. Presently, he is associated with Agarwal Float Glass India Limited in the capacity of Director and; with Agarwal Fortune India Limited (formerly known as Devki Leasing and Finance Limited), in the capacity of Managing Director. He has more than three decades of experience in leasing, investing, and trading in shares and securities and more than fifteen years of experience in glass industry. He has been associated with our Company since incorporation.

**Uma Shankar Agarwal**, aged 50 years, is one of the Promoters and Non- Executive Director of our Company. He has completed bachelor of commerce from Ranchi University. He looks after the customer relations and procurement side of the business. He has more than fifteen years of experience in glass industry and has been associated with our Company since incorporation. Further, he is also associated in the capacity of Chairman and Managing Director with Agarwal Float Glass India Limited.

**Nitin Hotchandani**, aged 36 years, is the Independent Director of our Company. He attended University of Rajasthan to pursue master's degree in commerce and LLB. He is also an associate member of the Institute of Company Secretaries of India since 2013. He has been associated with our Company since March 6, 2023. He has experience of about 10 years in the field of compliance and legal. Presently, he is associated with Umang Boards Limited, Transworld Furtichem Limited (Formerly known as Transworld Furtichem Private Limited) and Agribio Spirits Limited (Formerly known as Beekay Niryat Limited) in the capacity of Director. He is also one of the designated partners of GKH & Partners LLP.

**Shalini Sharma**, aged 34 years, is the Independent Director of our Company. She attended University of Rajasthan to pursue bachelor's and master's degree in commerce. In the past, she was associated with A Balani & Associates in the capacity of accounts manager & office assistant. Presently, she is associated with India Enforcement Services Private Limited in the capacity of Director. She has an experience of 5 years in the accounts and finance sector. She has been associated with our Company since March 6, 2023.

**Ravi Torani**, aged 35 years, is the Independent Director of our Company. He has received a provisional certificate from University of Rajasthan certifying that he has passed the bachelor's degree in Technology (Electronics & Communication). In the past, he was associated with Technisys Engineering Private Limited in the capacity of Engineer - MSS. Presently, he is a designated partner at RD Solar Solutions LLP and Traurja Solutions LLP. He has an experience of five years in the product development. He has been associated with our Company since March 6, 2023.

### **As on the date of this Red Herring Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

### **Relationship between our Directors**

Except for Anita Agarwal, who is the spouse of Uma Shankar Agarwal and Sister-in-law of Mahesh Kumar Agarwal, none of our Directors are related to each other.

#### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

#### **Payment or Benefit to officers of our Company**

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

#### **Service Contracts**

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### **Borrowing Powers of our Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to a resolution passed by the Shareholders at an Extra Ordinary General Meeting held on October 30, 2023, authorised our Board to borrow from time to time, any sum or sums of monies which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of our Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 15,000 lakhs or the aggregate of the paid up capital and free reserves of our Company, whichever is higher.

#### **Terms of appointment and remuneration of our Managing Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on March 6, 2023 and approved by the Shareholders of our Company at an Extra Ordinary General Meeting held on March 6, 2023, Anita Agarwal was designated as the Managing Director of our Company for a period of five (5) years with effect from March 6, 2023 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 2,00,000/- per month
<b>Perquisites</b>	Upto 40% of the basic salary
<b>Minimum Remuneration</b>	The Managing Director shall be entitled to minimum remuneration prescribed under Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

#### **Terms of appointment and remuneration of our Executive Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on March 6, 2023 and approved by the Shareholders of our Company at an Extra Ordinary General Meeting held on March 6, 2023, Mahesh Kumar Agarwal was appointed as Executive Director of our Company for a period of five (5) years with effect from March 6, 2023 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 1,50,000/- per month
<b>Perquisites</b>	Upto 40% of the basic salary
<b>Minimum Remuneration</b>	The Managing Director shall be entitled to minimum remuneration prescribed under Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

## Remuneration details of our Directors

### (i) Remuneration of our Executive Director

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Anita Agarwal	Nil
2.	Mahesh Kumar Agarwal	18

### (ii) Sitting fee details of our Independent Directors and Non-Executive Directors during the Fiscal 2024:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Uma Shankar Agarwal	Nil
2.	Shalini Sharma	2.4
3.	Nitin Ghanshyam Hotchandani	2.4
4.	Ravi Torani	2.4

Our Board of Directors in their meeting held on July 05, 2024 have fixed ₹ 5,000/- as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and its committees.

## Payment or benefit to Directors of our Company

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

## Remuneration paid to our Directors by our Subsidiary

As on the date of this Red Herring Prospectus, our Company does not have a subsidiary.

## Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Red Herring Prospectus.

## Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Uma Shankar Agarwal	4,42,750	3.73
2)	Anita Agarwal	17,12,500	14.42
3)	Mahesh Agarwal	33,83,250	28.49

Note: Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

## Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see "Terms of appointment and remuneration of our Executive Directors" above.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in "Financial Information" and "Our Promoters and Promoter Group" beginning on Pages 172 and 164, respectively of this Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Except as stated in “*Restated Financial Information –Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page 172 of this Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

**Interest as to property**

Except as mentioned in “*Our Business - Land and Property*” and “*Restated Financial Information –Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Pages 113 and 172 of this Red Herring Prospectus our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

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

None of our Directors are a party to any bonus or profit sharing plan.

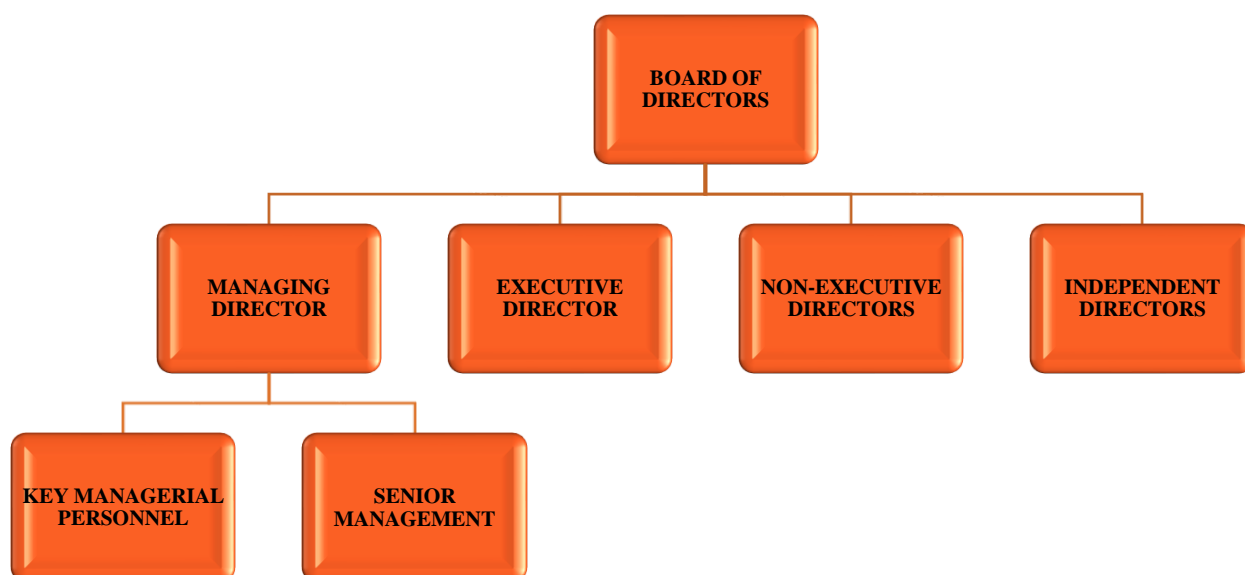
**Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Name of Director</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>	<b>Reasons for Change/ Appointment</b>
Uma Shankar Agarwal	March 18, 2022	-	Change in Designation to Non-Executive Director
Mahesh Kumar Agarwal	March 18, 2022	-	Change in Designation to Non-Executive Director
Anita Agarwal	September 28, 2022		Appointed as Non-Executive Director
Anita Agarwal	March 6, 2023	-	Change in Designation to Executive Director
Anita Agarwal	March 6, 2023	-	Change in Designation to Managing Director
Nitin Ghanshyam Hotchandani	March 6, 2023	-	Appointed as Independent Director
Shalini Sharma	March 6, 2023	-	Appointed as Independent Director
Ravi Torani	March 6, 2023	-	Appointed as Independent Director

**Management Organization Structure**

Set forth is the management organization structure of our Company:



**Corporate Governance**

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### **Committees of our Board**

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee; and
- c) Nomination and Remuneration Committee

Details of each of these committees are as follows:

#### **AUDIT COMMITTEE**

The Audit Committee was constituted pursuant to a resolution passed in the meeting of the Board of Directors held on November 20, 2023, pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Nitin Ghanshyam Hotchandani	Chairman	Non- Executive/ Independent Director
Shalini Sharma	Member	Non- Executive/ Independent Director
Uma Shankar Agarwal	Member	Non- Executive Director
Anita Agarwal	Member	Managing Director & Chief Financial Officer

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

#### **The scope of Audit Committee shall include but shall not be restricted to the following:**

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange from time to time, the following:

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

#### ***Tenure***

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

#### ***Meetings of the Committee***

The committee shall meet as often as necessary subject to minimum number of the frequency prescribed by any law or any authority or as stipulated by Board. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent member sat each meeting.

#### ***Roles and Powers***

The Role of Audit Committee together with its powers shall be as under:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

- Examination of the financial statement and the auditor's report thereon;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approving initial or any subsequent modification of transactions of the company with related parties;
- Scrutinizing inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- 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;
- To do all acts, deeds and things as may be required or considered necessary of incidental in the above matters along with another terms as may be decided by Board.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee was constituted at a meeting of the Board of Directors held on November 20, 2023. As on the date of this Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Shalini Sharma	Chairperson	Non- Executive/ Independent Director
Nitin Ghanshyam Hotchandani	Member	Non- Executive/ Independent Director
Ravi Torani	Member	Non- Executive/ Independent Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

### *Terms of Reference for the Stakeholders' Relationship Committee:*

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

#### **Tenure**

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

#### **Meetings of the Committee**

The Committee shall meet as and when the need arise and report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the members of the committee, whichever is higher.

#### **Terms of Reference**

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc.;
- Review the process and mechanism of redressal of shareholders / Investors grievance and suggest measures of improving the system of redressal of Shareholders / Investors grievances.
- Considering and resolving grievances of the security holders, of the Company, including complaints related to the transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider



Trading) Regulations, 1992 as amended from time to time.

- g. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.
- h. To do all acts, deeds and things as may be required or considered necessary or incidental in tie above matters along with another terms as may be decided by the Board.

The Stakeholders Relationship Committee shall meet at least once in a year.

The Chairperson of the Stakeholders Relationship Committee shall be present at general meetings of the Company, or in the absence of the Chairperson, any other member of the Stakeholders Relationship Committee authorised by the Chairperson in this behalf.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on November 20, 2023. As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Nitin Ghanshyam Hotchandani	Chairman	Non- Executive/ Independent Director
Shalini Sharma	Member	Non- Executive/ Independent Director
Ravi Torani	Member	Non- Executive/ Independent Director

The Company Secretary of the Company shall act as the secretary of the committee.

#### ***Terms of Reference for the Nomination and Remuneration Committee:***

##### **Tenure**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

##### **Meetings of Committee:**

The Committee shall meet as and well when the need arise. The quorum for the meeting shall be one third of the total strength of the Committee or two members, whichever is higher.

##### **Terms of Reference:**

- a. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized,
- b. Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc.;
- c. Review the process and mechanism of redressal of Shareholders/ Investors grievance and suggest measures of improving the system of redressal of Shareholders/ investors grievances.
- d. Considering and resolving grievances of the security holders of the Company, including complaints related to the transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
- e. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them
- f. Oversee the implementation and compliance of the code of conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of Insider Trading) Regulations, 1992 as amended from time to time.
- g. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.
- h. To do all acts, deeds and things as may be required or considered necessary or incidental in the above matters along with another terms as may be decided by the Board.

The Nomination and Remuneration Committee shall meet at least once in a year.

The Chairperson of the Nomination and Remuneration Committee shall be present at general meetings of the Company to answer the shareholders' queries, however, it shall be up to the chairperson to decide who shall answer the queries. In the absence of the Chairperson, any other member of the Nomination and Remuneration Committee may be authorised by the Chairperson in this behalf.

### **Compliance with SME Listing Regulations**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

### **Our Key Managerial Personnel**

In addition to our Managing Director whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Red Herring Prospectus:

**Mangal Ram Prajapati**, aged 31 years, is the Chief Financial Officer of our Company. He attended University of Rajasthan to pursue master's degree in commerce. He has been associated with our company since April 17, 2017 in the capacity of accounts executive and was promoted as the Chief Financial Officer of our Company with effect from with effect from December 1, 2023. He has more than six years of experience in accounts and finance industry and has received remuneration of ₹ 2.50 lakhs during Fiscal 2024.

**Neha Jadoun**, aged 37 years, is the Company Secretary and Compliance Officer of our Company. She attended University of Rajasthan to pursue bachelor's degree in law. She is an associate member of the Institute of Company Secretaries of India. She also passed the professional education examination - II held by the Institute of Chartered Accountants of India. In the past, she was associated with U.N. Automobiles Private Limited in the capacity of company secretary. She has an experience of more than five years in secretarial and compliance matters. She is associated with our Company since December 1, 2023 and has received remuneration of ₹ 0.6 lakhs during Fiscal 2024.

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

### **Our Senior Managerial Personnel**

Apart from our Managing Directors, Chief Financial Officer and Company Secretary & Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Red Herring Prospectus:

**Kumar Vikas**, aged 45 years, is the General Manager Production of our Company. He attended Indo-Danish-Tool Room to pursue a diploma in Tool & Die Making. He is associated with our Company since February 15, 2016 in the capacity of production manager and was promoted as General Manager Production of our Company with effect from February 15, 2022. He has received remuneration of ₹ 7.55 lakhs during Fiscal 2024.

**Rajesh Verma**, aged 53 years, is the Asst. General Manager Marketing of our Company. He attended University of Rajasthan to pursue bachelor's degree in commerce and post graduate diploma course in Marketing & Management. He is associated with our Company since April 1, 2016 in the capacity of sales manager and was promoted as Asst. General Manager Marketing of our Company with effect from April 1, 2020. He has received remuneration of ₹ 8.65 lakhs during Fiscal 2024.

### **Other Confirmations:**

- i. Further, our Company has not entered into any service contracts, pursuant to which its KMPs are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no KMPs and SMPs are entitled to any benefit upon termination of employment or superannuation.
- ii. There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned KMPs and SMPs have been recruited as KMPs.
- iii. All the key managerial personnel and Senior Manager Personnels mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company.
- iv. As on the date of filing of this Red Herring Prospectus, our Company does not have a performance linked bonus

- or a profit sharing plan with the KMPs. And SMPs.
- v. There is no contingent or deferred compensation payable to our KMPs and SMPs, which does not form part of their remuneration. vi. No non-salary-related payments or benefits have been made to our KMPs and SMPs based on targets achieved and general performance. vii. Attrition of KMPs and SMPs in the Company is not high as compared to the industry.

### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

In addition to the disclosure made under the heading “*Relationship between our Directors*”, none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

### **Shareholding of the Key Managerial Personnel and Senior Management**

None of the Key Management Personnel and Senior Management hold shareholding in our Company.

### **Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

In addition to the changes specified under “*Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Red Herring Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Mangal Ram Prajapati	Chief Financial Officer	December 1, 2023	Appointment
Neha Jadoun	Company Secretary	December 1, 2023	Appointment
Anita Agarwal	Chief Executive Officer	October 30, 2023	Appointment
Anita Agarwal	Managing Director	March 6, 2023	Change in Designation to Managing Director
Anita Agarwal	Chief Executive Officer	July 5, 2024	Resignation

### **Employees’ Stock Option Plan**

As on date of this Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Red Herring Prospectus

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are Anita Agarwal, Mahesh Kumar Agarwal, Uma Shankar Agarwal and Sharda Agarwal.


The details of the shareholding of our Promoters, as on date of this Red Herring Prospectus has been provided below:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Anita Agarwal	17,12,500	14.42
2.	Mahesh Kumar Agarwal	33,83,250	28.49
3.	Uma Shankar Agarwal	4,42,750	3.73
4.	Sharda Agarwal	44,00,000	37.05
<b>Total</b>		<b>99,38,500</b>	<b>83.69</b>


For details, please see “*Capital Structure – Shareholding of our Promoters*” on page 75.

### Details of our Promoters

<b>1. Anita Agarwal</b>	
	<p>Anita Agarwal, aged 46 years, is the Chairman and Managing Director of our Company. She resides at Plot No. 70, Sonabadi, Near Narayan Niwas, Gopal Pura Bypass Road, Jaipur - 302 015, Rajasthan, India.</p> <p>The Permanent Account Number of Anita Agarwal is AKXPA4645A.</p> <p>For complete profile of Anita Agarwal, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 153.</p>
<b>2. Mahesh Kumar Agarwal</b>	
	<p>Mahesh Kumar Agarwal, aged 47 years, is the Executive Director of our Company. He resides at Plot No. 70, Sonabadi, Near Narayan Niwas, Gopalpura Bypass, Jaipur - 302015, Rajasthan, India.</p> <p>The Permanent Account Number of Mahesh Kumar Agarwal is ABJPA3128M.</p> <p>For complete profile of Mahesh Kumar Agarwal, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 153.</p>
<b>3. Uma Shankar Agarwal</b>	

	<p>Uma Shankar Agarwal, aged 50 years, is the Non-Executive Director of our Company. He resides at Plot No. 70, Sonabadi, Near Narayan Niwas, Gopalpura Bypass, Jaipur - 302015, Rajasthan, India.</p> <p>The Permanent Account Number of Uma Shankar Agarwal is ABJPA7156M.</p> <p>For complete profile of Uma Shankar Agarwal, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 153.</p>
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#### 4. Sharda Agarwal

	<p>Sharda Agarwal, aged 42 years, is one of the Promoters of our Company. She resides at Plot No. 70, Sonabadi, Near Narayan Niwas, Gopalpura Bypass, Jaipur - 302015, Rajasthan, India.</p> <p>The Permanent Account Number of Sharda Agarwal is AKYPAB223H.</p> <p>She attended University of Rajasthan to pursue bachelor’s degree in arts. Presently, she is associated with Agarwal Float Glass India Limited and Agarwal Fortune India Limited in the capacity of Director. She is the sole proprietor of M/s. Hardik Glasses. She has an experience of seven years in glass industry.</p> <p>Her date of birth is July 2, 1982.</p>
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#### Other Ventures of our Promoters

The ventures in which our Promoters is involved in are as follows:

##### Anita Agarwal

S. No.	Name of the entity	Nature of Interest
1.	Agarwal Float Glass India Limited	Shareholder
2.	Agarwal Foods and Beverages	Proprietor

##### Mahesh Kumar Agarwal

S. No.	Name of the entity	Nature of Interest
1.	Agarwal Float Glass India Limited	Director & Shareholder
2.	Agarwal Fortune India Limited	Managing Director & Shareholder
3.	M/s. Mahesh Kumar Agarwal	Proprietor
4.	Mahesh Kumar Agarwal (HUF)	Karta

##### Uma Shankar Agarwal

S. No.	Name of the entity	Nature of Interest
1.	Agarwal Float Glass India Limited	Managing Director & Shareholder
2.	Agarwal Glass House	Proprietor
3.	Uma Shankar Agarwal (HUF)	Karta

##### Sharda Agarwal

S. No.	Name of the entity	Nature of Interest
1.	Agarwal Float Glass India Limited	Director and Shareholder
2.	Agarwal Fortune India Limited	Director
3.	M/s. Hardik Glasses	Proprietor

Our Company confirms that the permanent account numbers, bank account numbers and passport numbers, Aadhaar card numbers and driving license numbers of our Promoters shall be submitted to NSE at the time of filing this Red Herring Prospectus.

## **Change in Control of our Company**

There has been no change in the control of our Company since incorporation.

## **Experience of our Promoters in the business of our Company**

Our Promoters holds experience in the business of our Company. For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on Page 153 of this Red Herring Prospectus.

## **Interest of our Promoters**

### *Interest in promotion of our Company*

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding and directorships of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Restated Financial Information*” beginning on Pages 69, 153 and 172, respectively of this Red Herring Prospectus.

### *Interest of Promoters in our Company other than as a Promoter*

Our Promoters, Anita Agarwal is the Chairman and Managing Director, Mahesh Kumar Agarwal is the Executive Director and Uma Shankar Agarwal is the the Non-Executive Directors of our Company, therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to them in such capacity. Except as stated in this section and the section titled “*Our Management*”, “*Financial Indebtedness*” and “*Restated Financial Information*” beginning on Pages 153, 174 and 172, respectively, our Promoters do not have any interest in our Company other than as Promoters.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Our Company has entered into a rent agreement, pursuant to the agreement executed on February 1, 2024, between our Company and M/s. Agarwal Food & Beverages (proprietorship) of our promoter and Managing Director Anita Agarwal, we have let out the aforementioned premises to M/s. Agarwal Food & Beverages for a period of eleven months with effect from January 1, 2024 on payment of a monthly rent of ₹ 25,000. The said land is being used by M/s. Agarwal Food & Beverages for carrying out its business.

### *Interest in the properties of our Company*

Except as mentioned in “*Interests of Promoters*”, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Promoters and Promoter Group.

## **Other Interest and Disclosures**

Except as disclosed in “*Financial Information*” and “*Financial Indebtedness*” on pages 172 and 174, respectively in this Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company. Our Promoters have also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled “*Financial Indebtedness*” on page 174 of this Red Herring Prospectus.

Our Promoters are 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.

We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel,

Directors and Group Company and its directors.

### Payment or benefits to our Promoters and Promoters' Group during the last two years

Except as stated in this chapter and in the chapter titled “*Restated Financial Information - Related Party Transactions*”, there has been no payment of any amount of benefits to our Promoters or the members of our Promoters' Group during the last two years from the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoters' Group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled “*Restated Financial Information - Related Party Transactions*” beginning on Page 172 of this Red Herring Prospectus.

### Litigations involving our Promoter

As on date of this Red Herring Prospectus, there are no litigation involving our Promoters.

### Guarantees

Except as disclosed in the chapter titled “*Financial Indebtedness*”, our Promoters have not extended any guarantees against the Equity Shares held by them to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Red Herring Prospectus.

### Details of Companies / Firms from which our Promoter has disassociated in the last three years

Our Promoter has not disassociated themselves from any company/firm during three years preceding the date of this Red Herring Prospectus.

### OUR PROMOTERS' GROUP

In addition to our Promoter, the following individuals and entities form part of our Promoters' Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

#### Individuals forming part of the Promoters' Group:

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b>Anita Agarwal</b>		
1.	Uma Shankar Agarwal	Spouse
2.	Sushil Kumar Kejriwal	Father
3.	Madhuri Devi Kejriwal	Mother
4.	Arvind Kumar Kejriwal	Brother
5.	Babita Chetani	Sister
6.	Kavita Agarwal	Sister
7.	Shweta Kejriwal	Sister
8.	Mayur Agarwal	Son
9.	Late Sanwar Mal Agarwal	Spouse's father
10.	Sharda Devi Agarwal	Spouse's mother
11.	Mahesh Kumar Agarwal	Spouse's Brother
12.	Sangeeta Agarwal	Spouse's sister
<b>Uma Shankar Agarwal</b>		
1.	Anita Agarwal	Spouse
2.	Late Sanwar Mal Agarwal	Father
3.	Sharda Devi Agarwal	Mother
4.	Mahesh Kumar Agarwal	Brother
5.	Sangeeta Agarwal	Sister
6.	Mayur Agarwal	Son
7.	Sushil Kumar Kejriwal	Spouse's Father
8.	Madhuri Devi Kejriwal	Spouse's Mother
9.	Arvind Kumar Kejriwal	Spouse's Brother
10.	Babita Chetani	Spouse's Sister
11.	Kavita Agarwal	Spouse's Sister
12.	Shweta Kejriwal	Spouse's Sister
<b>Mahesh Kumar Agarwal</b>		
13.	Sarda Agarwal	Spouse
14.	Late Sanwar Mal Agarwal	Father
15.	Sharda Devi Agarwal	Mother
16.	Uma Shankar Agarwal	Brother

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
17.	Sangeeta Agarwal	Sister
18.	Hardik Agarwal	Son
19.	Palak Agarwal	Daughter
20.	Makkhan Lal Agarwal	Spouse's father
21.	Vimla Devi	Spouse's mother
22.	Rajesh Agarwal	Spouse's Brother
23.	Shashi Kant Agarwal	Spouse's Brother
24.	Shyam Bihari Agarwal	Spouse's Brother
25.	Urmila Agarwal	Spouse's sister
<b>Sarda Agarwal</b>		
26.	Mahesh Kumar Agarwal	Spouse
27.	Makkhan Lal Agarwal	Father
28.	Vimla Devi	Mother
29.	Rajesh Agarwal	Brother
30.	Shashi Kant Agarwal	Brother
31.	Shyam Bihari Agarwal	Brother
32.	Urmila Agarwal	Sister
33.	Hardik Agarwal	Son
34.	Palak Agarwal	Daughter
35.	Late Sanwar Mal Agarwal	Spouse's father
36.	Sharda Devi Agarwal	Spouse's mother
37.	Uma Shankar Agarwal	Spouse's Brother
38.	Sangeeta Agarwal	Spouse's sister

**Entities forming part of the Promoters' Group:**

Except as stated below, no other company, firm or HUF are forming part of the promoters' group:

Sr. No.	Name of the entities
1.	Agarwal Float Glass India Limited
2.	Agarwal Fortune India Limited
3.	Uma Shankar Agarwal HUF
4.	Mahesh Kumar Agarwal HUF
5.	Agarwal Food and Beverages
6.	M/s. Mahesh Kumar Agarwal
7.	M/s. Hardik Glasses
8.	Agarwal Food and Beverages
9.	Agarwal Glass House

**Other Confirmations**

Neither our Promoters nor members of the Promoters' Group have been declared as wilful defaulters by the RBI or any other governmental authority nor there are any violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoters nor entities forming part of our Promoters' Group have been debarred or 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 the Promoters' Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Red Herring Prospectus against our Promoter.



## **OUR GROUP COMPANIES**

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated November 20, 2023, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “Financial Information” on page 172 of this Red Herring Prospectus .

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Agarwal Float Glass India Limited and Agarwal Fortune India Limited has been identified and considered as the Group Companies of our Company.

### **A. Details of our Group Companies**

#### **Agarwal Float Glass India Limited**

##### *Registered Office address*

The registered office of Agarwal Float Glass India Limited is situated at H-1/790, Sitapura Industrial Area Ext., Near Fire Bridge Office, Jaipur – 302 022, Rajasthan, India.

##### *Financial Performance*

The Financial Performance for the preceding three years derived from the audited financial statements of Agarwal Float Glass India Limited as on the date of this Red Herring Prospectus are available at [https://www.nseindia.com/companies-listing/corporate-filings-financial-results?symbol=AGARWALFT&tabIndex=sme#financials\\_sme](https://www.nseindia.com/companies-listing/corporate-filings-financial-results?symbol=AGARWALFT&tabIndex=sme#financials_sme).

#### **Agarwal Fortune India Limited**

##### *Registered Office address*

The registered office of Agarwal Fortune India Limited is situated at S-9-A, 2nd Floor, Sagar Ratna Gopalpura Bypass Road, Shri Gopal Nagar, Jaipur – 302 019, Rajasthan, India.

##### *Financial Performance*

The Financial Performance for the preceding three years derived from the audited financial statements of Agarwal Fortune India Limited as on the date of this Red Herring Prospectus are available at <https://www.bseindia.com/stock-share-price/agarwal-fortune-india-ltd/agarwal/530765/financials-results/>.

### **B. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

### **C. Common pursuits**

Our Group Companies are engaged in similar business as that of our Company. As on date of this Red Herring Prospectus, our Company has not entered into non-compete agreements with our Group Companies, for risks relating to the same, please see “Risk Factors- Risk Factor 14 - Our Group Companies have conflicts of interest as they are engaged in similar business and may compete with us” on page 35.

### **D. Related business transactions within our Group Company and significance on the financial performance of our Company**

Other than the transactions disclosed in “Restated Financial Information –Related Party Transactions” from the chapter titled “Restated Financial Information” on page 172 of this Red Herring Prospectus, there are no other related business transactions between our Group Companies and our Company.

### **E. Business Interest**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page 172, our Group Companies have no business interests in our Company.

**F. Nature and extent of interest of our Group Company**

*a) In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

*b) In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

*c) In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

### **DIVIDEND POLICY**

The declaration and payment of dividends, if any, 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. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page 28 of this Red Herring Prospectus.

**SECTION VI – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Restated Financial Statements for the six months period September 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022	RFS 1 – RFS 35

## SECTION IX - FINANCIAL STATEMENTS

### RESTATED FINANCIALS INFORMATION

#### **Independent Auditor's Report for the Restated Financial Statements of Agarwal Toughened Glass India Limited (Formerly known as Agarwal Toughened Glass India Private Limited)**

To,  
The Board of Directors,  
**Agarwal Toughened Glass India Limited**  
F-2264, RIICO Industrial Area,  
Ramchandrapura, Sitapura (Ext.),  
Jaipur - 302022,  
Rajasthan, India

**Sub: Proposed Public Issue of upto 57,99,600 equity shares of face value of Rs. 10.00 each for cash at a price of Rs. [•] (Including Share Premium of Rs [•] per Equity Share) per Equity Share aggregating Rs. [•] through the book building process.**

Dear Sirs,

- 1) We have examined the attached Restated Summary Statements and Other Financial Information of **Agarwal Toughened Glass India Limited** (hereinafter referred to as “**the Company**”) described below and annexed to this report for the period ending as on September 30, 2024 and financial year ended on March 31, 2024, 2023 and 2022 based on the audited financial statements of the Company (collectively referred to as the “**Restated Summary Statements**” or “**Restated Financial Statements**”) of the Company as duly approved by the Board of Directors of the Company.
- 2) The said Restated Financial Statements and other Financial Information have been examined and prepared for the purpose of inclusion in the Red Herring Prospectus / Prospectus (collectively hereinafter referred to as “**Offer Document**”) in connection with the proposed Initial Public Offering (IPO) of the company taking into consideration the followings and in accordance with the following requirements of:
  - Section 26 of Part I of Chapter III to the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the ‘SEBI ICDR Regulations’) as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
  - The Guidance Note on Reports in Company Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“ICAI”) (“Guidance Note”);
  - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - The terms of reference to our engagement letter with the company dated March 28, 2023, requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on the Stock Exchange. In this case the Designated Stock Exchange being EMERGE platform of NSE (“IPO” or “SME IPO”).
- 3) These Restated Consolidated Financial Information (included in **Annexure I to XLI**) have been extracted by the Management of the Company from:

The Company's Financial Statements for the period ending as on 30 September 2024 and financial year ended on March 31, 2024, 2023 and 2022 which have been approved by the Board of Directors/Shareholders at their meeting held on November 11, 2024, July 12, 2024, September 01, 2023 and September 02, 2022 respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company's Management. The Financial Statement of the Company has been audited by M/s. Jethani And

Associates, Chartered Accountants and period ending as on 30 Sep 2024 and financial year ended March 31, 2024, 2023 and 2022 have been audited by M/s Jethani And Associates, Chartered Accountants, Jethani And Associates, Chartered Accountants and Mr. Harish Sharma, Chartered Accountants respectively as sole statutory auditors and had issued unqualified reports for these years.

- 4) In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
- 5) The **Restated Statement of Assets and Liabilities** for the period ended as on September 30, 2024 and financial year ended on March 31, 2024, 2023 and 2022, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.
  - (a) The **Restated Statement of Profit and Loss** of the Company for the period ended as on September 30, 2024 and financial year ended on March 31, 2024, 2023 and 2022, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.
  - (b) The **Restated Statement of Cash Flows** of the Company for the period ended as on September 30, 2024 and financial year ended on March 31, 2024, 2023 and 2022, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flows have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.

As a result of these adjustments, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

- 6) **Emphasis of Matters:** After the AGM of year ended on 31 Mar 2023, The Company by passing Board resolution dated October 28, 2023, and further by obtaining approval at the Extra Ordinary General Meeting held on October 30, 2023, has made Further Allotment of 71,25,000 Equity Shares of Face Value of Rs. 10/- each fully paid equity shares as Bonus Issue to its existing shareholders of the company in the ratio of 3:2 (on the basis of Fresh Three Equity Shares to be allotted to existing Two Equity Shares held by shareholders) by utilizing a sum of Rs. 7,12,50,000/- out of free reserves.
- 7) Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the period ended on September 30, 2024 and financial year ended on March 31, 2024, 2023 and 2022 and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:
  - (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company.
  - (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
  - (c) Do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;

- (d) There are no qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on September 30, 2024 and the financial year ended on March 31, 2024, 2023 and 2022, which would require adjustments in this Restated Financial Statements of the Company.
  - (e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in **Annexure – IV (1) & IV (2)** to this report;
  - (f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
  - (g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
  - (h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - (i) The Company has not paid any dividend since its incorporation.
- 8) We have also examined the following other Restated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors/shareholders on Nov 11, 2024 relating to the company for the period ending on September 30, 2024 and the financial year ended March 31, 2024, 2023 and 2022 proposed to be included in the ("Offer Document") for the proposed IPO:
- 1. Statement of Share Capital, as restated in **Annexure - V** to this report.
  - 2. Statement of Reserves & Surplus, as restated in **Annexure – VI** to this report.
  - 3. Statement of Long-Term Borrowings as restated in **Annexure - VII** to this report.
  - 4. Statement of Long-Term Provisions as restated in **Annexure - VIII** to this report.
  - 5. Statement of Other Non-Current Liabilities as restated in **Annexure - IX** to this report.
  - 6. Statement of Short-Term Borrowings as restated in **Annexure - X** to this report.
  - 7. Statement of Trade Payables as restated in **Annexure – XI** to this report.
  - 8. Statement of Other Current Liabilities as restated in **Annexure - XII** to this report.
  - 9. Statement of Short-Term Provisions as restated in **Annexure - XIII** to this report.
  - 10. Statement of Fixed Assets as restated in **Annexure - XIV** to this report.
  - 11. Statement of Capital Work in progress as restated in **Annexure - XV** to this report.
  - 12. Statement of Deferred Tax Asset (Net) as restated in **Annexure - XVI** to this report.
  - 13. Statement of Long-Term Loans and Advances as restated in **Annexure - XVII** to this report.
  - 14. Statement of Other Non-Current Assets as restated in **Annexure - XVIII** to this report.
  - 15. Statement of Inventories as restated in **Annexure - XIX** to this report.
  - 16. Statement of Trade Receivables as restated in **Annexure - XX** to this report.
  - 17. Statement of Cash and Cash Equivalents as restated in **Annexure - XXI** to this report.

18. Statement of Short-Term Loans & Advances as restated in **Annexure - XXII** to this report
  19. Statement of Other Current Assets as restated in **Annexure - XXIII** to this report.
  20. Statement of Revenue from Operations as restated in **Annexure - XXIV** to this report.
  21. Statement of Other Income as restated in **Annexure - XXV** to this report.
  22. Statement of Cost of Raw Material Consumed as restated in **Annexure - XXVI** to this report.
  23. Statement of Direct Expenses as restated in **Annexure - XXVII** to this report.
  24. Statement of Changes in Inventories of Finished Goods as restated in **Annexure - XXVIII** to this report.
  25. Statement of Employee Benefit Expenses restated in **Annexure - XXIX** to this report.
  26. Statement of Finance Costs as restated in **Annexure - XXX** to this report.
  27. Statement of Depreciation and Amortization Expenses as restated in **Annexure - XXXI** to this report.
  28. Statement of Other Expenses as restated in **Annexure - XXXII** to this report.
  29. Statement of Other Income as restated in **Annexure - XXXIII** to this report.
  30. Statement of Ageing of Trade Payables as restated in **Annexure - XXXIV** to this report.
  31. Statement of Ageing of Trade Receivables as restated in **Annexure - XXXV** to this report.
  32. Statement of Accounting Ratio as restated in **Annexure - XXXVI** to this report.
  33. Statement of Related Party Transactions as restated in **Annexure - XXXVII** to this report.
  34. Statement of Tax Shelters as restated in **Annexure - XXXVIII** to this report.
  35. Statement of Dues of Small Enterprises and MICRO Enterprises as restated in **Annexure - XXXIX** to this report.
  36. Statement of Additional Regulatory Information as restated in **Annexure - XL** to this report.
  37. Statement of Capitalization as restated in **Annexure - XLI** to this report.
- 9) We, M/s. Jethani And Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate no. 013450 issued by the “Peer Review Board” of the ICAI and is valid till August 31, 2025.
  - 10) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
  - 11) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.
  - 12) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  - 13) In our opinion, the above Restated Financial Statements contained in **Annexure 1 to XXXX** to this report read along with the ‘Significant Accounting Policies and Notes to the Restated Standalone Financial Statements’ appearing in **Annexure – IV (1) & IV (2)** after making adjustments and



regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

- 14) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For JETHANI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 010749C**

**Sd/-**  
**CA Umesh Kumar Jethani**  
**Partner**  
**M. No: 400485**  
**UDIN: 24400485BKACPA1043**  
**Place: Jaipur**  
**Date: November 11, 2024**

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE -

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	<b>EQUITY AND LIABILITIES</b>					
1)	<b>Shareholders Funds</b>					
	a. Share Capital	V	1,187.50	1,187.50	475.00	475.00
	b. Reserves & Surplus	VI	897.22	443.30	287.28	190.31
2)	<b>Non - Current Liabilities</b>					
	a. Long-term Borrowings	VII	1,317.68	1,257.98	1,577.84	1,441.22
	b. Deferred Tax Liability (net)	XVI	-	-	-	-
	c. Long-term Provisions	VIII	19.82	-	-	-
	c. other Non Current Liabilities	IX	22.60	23.05	133.22	64.08
3)	<b>Current Liabilities</b>					
	a. Short Term Borrowings	X	1,737.71	1,666.53	1,298.84	1,200.70
	b. Trade Payables	XI				
	- Total outstanding dues of micro enterprises and small enterprises; and		23.98	20.72	23.67	20.85
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		245.56	156.11	128.03	101.72
	c. Other Current liabilities	XII	107.19	91.27	83.44	97.97
	d. Short Term Provisions	XIII	148.29	308.39	55.00	28.64
	<b>TOTAL</b>		<b>5,707.55</b>	<b>5,154.85</b>	<b>4,062.32</b>	<b>3,620.49</b>
	<b>ASSETS</b>					
1)	<b>Non Current Assets</b>					
	a. Property, Plant & Equipment and Intangible Assets	XIV				
	- Property, Plant & Equipment		2,135.44	1,436.72	1,575.15	1,748.28
	- Intangible Assets		-	-	-	-
	- Capital Work-in-Progress	XV	313.21	673.86	180.18	-
	b. Deferred Tax Asset (net)	XVI	27.12	33.41	32.14	18.28
	c. Long-term Loans & Advances	XVII	-	-	9.22	8.34
	d. Other Non-current assets	XVIII	175.30	171.55	152.83	20.83
2)	<b>Current Assets</b>					
	a. Inventories	XIX	1,454.54	1,492.53	973.42	844.78
	b. Trade Receivables	XX	1,271.79	1,072.54	896.89	749.98
	c. Cash and Cash Equivalents	XXI	35.44	31.89	65.94	9.85
	d. Short term loan and advances	XXII	291.84	240.09	173.72	217.71
	e. Other current assets	XXIII	2.87	2.26	2.83	2.44
	<b>TOTAL</b>		<b>5,707.55</b>	<b>5,154.85</b>	<b>4,062.32</b>	<b>3,620.49</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLI)

For Jethani and associates

Chartered Accountants

FRN - 010749C

Sd/-

Umesh Kr. Jethani

Partner

Mem No - 400485

UDIN - 24400485BKACPA1043

Place : Jaipur

Date : 11/11/2024

For and on behalf of the Board of Directors of Agarwal Toughened Glass India Limited

Sd/-

Anita Agarwal

(Managing Director)

DIN - 09740258

Sd/-

Mahesh Kumar Agarwal

(Director)

DIN - 02806108

Sd/-

Mangal Ram Prajapati

CFO

Sd/-

Neha Jadoun

Company Secretary

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE -

II

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
<b>A</b>	<b>INCOME</b>					
	Revenue from Operations	XXIV	2,228.72	3,832.78	3,995.03	3,340.94
	Other Income	XXV	121.01	217.48	65.29	131.05
	<b>Total Income (A)</b>		<b>2,349.73</b>	<b>4,050.26</b>	<b>4,060.32</b>	<b>3,471.99</b>
<b>B</b>	<b>EXPENDITURE</b>					
	Cost of raw material consumed	XXVI	1,197.50	2,085.84	2,647.74	2,209.55
	Direct Expenses	XXVII	196.99	287.33	362.73	359.35
	Changes in inventories of finished goods , work-in-progress and stock-in-trade	XXVIII	(95.46)	(290.15)	97.17	64.11
	Employee benefits expense	XXIX	186.69	348.85	350.08	298.45
	Finance costs	XXX	137.25	272.32	231.83	220.51
	Depreciation and amortization expense	XXXI	73.87	156.11	174.02	203.42
	Other expenses	XXXII	45.50	29.90	62.41	49.62
	<b>Total Expenses (B)</b>		<b>1,742.34</b>	<b>2,890.20</b>	<b>3,925.98</b>	<b>3,405.01</b>
<b>C</b>	<b>Profit before extraordinary items and tax(A-B)</b>		<b>607.39</b>	<b>1,160.06</b>	<b>134.34</b>	<b>66.98</b>
	Extraordinary items		-	-	-	-
<b>D</b>	<b>Profit before tax</b>		<b>607.39</b>	<b>1,160.06</b>	<b>134.34</b>	<b>66.98</b>
<b>E</b>	<b>Tax Expense:</b>					
	(i) Current tax	XXXVIII	147.18	292.80	51.25	29.88
	(ii) Deferred tax	XVI	6.29	(1.26)	(13.88)	(13.08)
	(iii) Short /Excess provision for tax		-	-	-	-
	<b>Total Expenses (E)</b>		<b>153.47</b>	<b>291.54</b>	<b>37.37</b>	<b>16.80</b>
<b>E</b>	<b>Profit for the year (D-E)</b>		<b>453.92</b>	<b>868.52</b>	<b>96.97</b>	<b>50.18</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>					
	i. Basic		<b>3.82</b>	<b>7.31</b>	<b>0.82</b>	<b>0.42</b>
	ii. Diluted		<b>3.82</b>	<b>7.31</b>	<b>0.82</b>	<b>0.42</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLI)

For Jethani and associates  
Chartered Accountants  
FRN - 010749C

For and on behalf of the Board of Directors of  
Agarwal Toughened Glass India Limited

Sd/-  
Umesh Kr. Jethani  
Partner  
Mem No - 400485  
UDIN - 24400485BKACPA1043

Sd/-  
Anita Agarwal  
(Managing Director)  
DIN - 09740258

Sd/-  
Mahesh Kumar Agarwal  
(Director)  
DIN - 02806108

Place : Jaipur  
Date : 11/11/2024

Sd/-  
Mangal Ram Prajapati  
CFO

Sd/-  
Neha Jadoun  
Company Secretary

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

**STATEMENT OF CASH FLOW AS RESTATED**

ANNEXURE - III

(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>				
Net Profit before tax as per Profit And Loss A/c	607.39	1,160.06	134.34	66.98
<b>Adjustments for:</b>				
Loss on sale of Fixed asset	-	1.21		
Finance Cost	131.06	267.63	219.75	202.39
Depreciation and Amortisation Expense	73.87	156.11	174.02	203.42
<b>Operating Profit Before Working Capital Changes</b>	<b>812.32</b>	<b>1,585.01</b>	<b>528.11</b>	<b>472.79</b>
Adjusted for (Increase)/Decrease in operating assets				
Inventories	37.99	(519.11)	(128.64)	(65.83)
Trade Receivables	(199.25)	(175.65)	(146.90)	(143.94)
Short Term Loans and advances	(51.75)	(66.37)	43.99	(21.88)
Other Non Current Assets	(3.75)	(18.72)	(132.00)	0.50
Other Current Assets	(0.61)	0.57	(0.39)	(0.22)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	92.71	25.13	29.13	(228.92)
Other Current Liabilities	11.02	4.63	(16.23)	(72.29)
Other Non-Current Liabilities	(0.45)	(110.17)	69.14	(27.48)
Provisions	20.63	-	0.10	(0.05)
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>718.86</b>	<b>725.32</b>	<b>246.31</b>	<b>(87.32)</b>
Net Income Tax paid/ refunded	(308.09)	(30.20)	(25.86)	(12.42)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>410.77</b>	<b>695.12</b>	<b>220.45</b>	<b>(99.74)</b>
Purchase of property, plant & equipment and intangible assets (including CWIP)	(411.94)	(513.04)	(181.07)	(66.36)
Sale of property, plant & equipment	-	0.47		
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(411.94)</b>	<b>(512.57)</b>	<b>(181.07)</b>	<b>(66.36)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from Issue of Equity Shares	-	-	-	-
Proceeds /(Repayment) of Borrowings	130.88	47.83	234.76	318.52
Finance Cost Paid	(126.16)	(264.43)	(218.05)	(183.40)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>4.72</b>	<b>(216.60)</b>	<b>16.71</b>	<b>135.12</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>3.55</b>	<b>(34.05)</b>	<b>56.09</b>	<b>(30.98)</b>
Cash & Cash Equivalents As At Beginning of the Year	31.89	65.94	9.85	40.84
Cash & Cash Equivalents As At End of the Year	<b>35.44</b>	<b>31.89</b>	<b>65.94</b>	<b>9.85</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLI)

Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

For Jethani and associates  
Chartered Accountants  
FRN - 010749C

For and on behalf of the Board of Directors of  
Agarwal Toughened Glass India Limited

Sd/-  
Umesh Kr. Jethani  
Partner  
Mem No - 400485  
UDIN - 24400485BKACPA1043

Sd/-  
Anita Agarwal  
(Managing Director)  
DIN - 09740258

Sd/-  
Mahesh Kumar Agarwal  
(Director)  
DIN - 02806108

Place : Jaipur  
Date : 11/11/2024

Sd/-  
Mangal Ram Prajapati  
CFO

Sd/-  
Neha Jadoun  
Company Secretary

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

DETAILS OF SHARE CAPITAL AS RESTATED

ANNEXURE - V

(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>EQUITY SHARE CAPITAL:</b>				
<b>AUTHORISED:</b>				
Equity Shares of ₹ 10 each	2,000.00	500.00	500.00	500.00
	<b>2,000.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>				
Equity Shares of ₹ 10 each fully paid up 11875000 No of Equity shares (PY : 47,50,000 No of equity shares upto March 2023 & March 2022)	1,187.50	1,187.50	475.00	475.00
	<b>1,187.50</b>	<b>1,187.50</b>	<b>475.00</b>	<b>475.00</b>
<b>TOTAL</b>	<b>1,187.50</b>	<b>1,187.50</b>	<b>475.00</b>	<b>475.00</b>

**Reconciliation of number of shares outstanding at the end of the year:**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the year	1,18,75,000	47,50,000	47,50,000	47,50,000
Add: Shares issued during the year	-	71,25,000	-	-
Equity Shares at the end of the year	<b>1,18,75,000</b>	<b>1,18,75,000</b>	<b>47,50,000</b>	<b>47,50,000</b>

**Note:**

- Terms/Rights attached to Equity Shares: The company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Share holders.
- The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

Name of Shareholders	As at September 30, 2024		As at March 31, 2024	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<b>Equity Share Holders</b>				
Mahesh Kumar Agarwal	33,83,250	28.49%	33,83,250	28.49%
Sharda Agarwal	44,00,000	37.05%	44,00,000	37.05%
Sharda Devi Agarwal	8,25,000	6.95%	8,25,000	6.95%
Anita Agarwal	17,12,500	14.42%	17,12,500	14.42%
	<b>1,03,20,750</b>	<b>86.91%</b>	<b>1,03,20,750</b>	<b>86.91%</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<b>Equity Share Holders</b>				
Maresh Kumar Agarwal	13,53,300	28.49%	13,53,300	28.49%
Sharda Agarwal	17,60,000	37.05%	17,60,000	37.05%
Sharda Devi Agarwal	3,30,000	6.95%	3,30,000	6.95%
Anita Agarwal	6,85,000	14.42%	6,85,000	14.42%
	<b>41,28,300</b>	<b>86.91%</b>	<b>41,28,300</b>	<b>86.91%</b>

Details of equity shares held by promoters:

Name of Promoter	As at September 30, 2024		% Change during the year
	No. of Shares Held	% of Holding	
Uma shankar Agarwal	4,42,750.00	3.73%	0.00%
Maresh kumar agarwal	33,83,250.00	28.49%	0.00%
Anita Agarwal	17,12,500.00	14.42%	0.00%
Sharda Agarwal	44,00,000.00	37.05%	0.00%

Details of equity shares held by promoters:

Name of Promoter	As at March 31, 2024		% Change during the year
	No. of Shares Held	% of Holding	
Uma shankar Agarwal	4,42,750.00	3.73%	0.00%
Maresh kumar agarwal	33,83,250.00	28.49%	0.00%
Anita Agarwal	17,12,500.00	14.42%	0.00%
Sharda Agarwal	44,00,000.00	37.05%	0.00%

Details of equity shares held by promoters:

Name of Promoter	As at March 31, 2023		% Change during the year
	No. of Shares Held	% of Holding	
Uma shankar Agarwal	1,77,100.00	3.73%	0.00%
Maresh kumar agarwal	13,53,300.00	28.49%	0.00%
Anita Agarwal	6,85,000.00	14.42%	0.00%
Sharda Agarwal	17,60,000.00	37.05%	0.00%

Details of equity shares held by promoters:

Name of Promoter	As at March 31, 2022		% Change during the year
	No. of Shares Held	% of Holding	
Uma shankar Agarwal	1,77,100.00	3.73%	0.00%
Maresh kumar agarwal	13,53,300.00	28.49%	0.00%
Anita Agarwal	6,85,000.00	14.42%	0.00%
Sharda Agarwal	17,60,000.00	37.05%	0.00%

**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**DETAILS OF RESERVE & SURPLUS AS RESTATED**

ANNEXURE - VI  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Balance in profit &amp; Loss A/c</b>				
Opening Balance	443.30	287.28	190.31	125.94
Depreciation expenses preivous year	-	-	-	13.83
Deferred tax expense of preivous years	-	-	-	3.19
Income tax expense of preivous years	-	-	-	-2.83
Add : Net profit / (Loss) after Tax for the year	453.92	868.52	96.97	50.18
Less : Issue of Bonus shares	-	(712.50)	-	-
<b>TOTAL</b>	<b>897.22</b>	<b>443.30</b>	<b>287.28</b>	<b>190.31</b>

**DETAILS OF LONG TERM BORROWINGS AS RESTATED**

ANNEXURE - VII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>				
<b>a. From Bank</b>				
- Term loan	893.33	991.22	1,180.61	861.63
- Vehicle loan	23.44	29.75	29.16	39.60
- Working capital demand loan	-	-	17.47	-
- Emergency credit line	102.77	137.83	204.05	289.50
<b>b. From Non - Banking Financial institution</b>				
- Term loan	-	-	33.25	37.49
- Vehicle loan	-	-	-	-
<b>Unsecured</b>				
<b>a .Loan from Related parties</b>				
- Director's loan & others	298.14	99.18	93.60	211.38
<b>b .Loan from Banks and NBFC</b>	-	-	19.70	1.62
<b>TOTAL</b>	<b>1,317.68</b>	<b>1,257.98</b>	<b>1,577.84</b>	<b>1,441.22</b>

Nature of Security	Terms of Repayment
*Secured by way of first charge on fixed assets of the company including equitable mortgage of land & building of the company situated at F-2264 Ramchandrapura Industrial area, Sitapura Extn., F-2236 Ramchandrapura Industrial area, Sitapura Extn And Plot no. 27, Yojna no. 15, Ganga ram nagar, Gopalpura Bypass Jaipur and FD of Rs 136 lakh with plant and machinery and second charge on the assets of the company & personal guarantee of the directors.	

**DETAILS OF LONG TERM PROVISION**

ANNEXURE - VIII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	19.82	-	-	-
<b>TOTAL</b>	<b>19.82</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**DETAILS OF OTHER NON CURRENT LIABILITES**

ANNEXURE - IX  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
			-	-
Advances from Customers	22.60	23.05	133.22	64.08
<b>TOTAL</b>	<b>22.60</b>	<b>23.05</b>	<b>133.22</b>	<b>64.08</b>

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED**

ANNEXURE - X  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>				
Cash credit facility	1,439.24	1,303.16	1,027.16	834.33
Channel finance facility	-	-	-	187.45
Secured -Current maturities of long term loan	274.13	319.26	240.91	158.66
Unsecured -Current maturities of long term loan	-	19.70	12.25	20.26
<b>Unsecured</b>				
Corporate Credit Card	24.34	24.41	18.52	-
<b>TOTAL</b>	<b>1,737.71</b>	<b>1,666.53</b>	<b>1,298.84</b>	<b>1,200.70</b>

**Note : \*Secured by way of first charge on fixed assets of the company including equitable mortgage of land & building of the company situated at F-2264 Ramchandrapura Industrial area, Sitapura Extn. And Plot no. 27, Yojna no. 15, Ganga ram nagar, Gopalpura Bypass Jaipur and and second charge on the assets of the company & personal guarantee of the directors.**

**DETAILS OF TRADE PAYABLES AS RESTATED**

ANNEXURE - XI  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises; and	23.98	20.72	23.67	20.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	245.56	156.11	128.03	101.72
<b>TOTAL</b>	<b>269.54</b>	<b>176.83</b>	<b>151.70</b>	<b>122.57</b>



**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**DETAILS OF OTHER CURRENT LIABILITES AS RESTATED**

ANNEXURE - XII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
payable to employees	35.41	33.63	24.37	21.32
security deposite received	3.50	3.50	3.50	8.50
TDS / TCS Payable	2.22	2.37	2.03	0.30
electricity and water expense payable	29.35	24.45	21.25	19.55
ESIC & PF payable	2.66	2.55	2.29	2.92
Other exp Payable	-	-	8.54	7.97
GST Payable	34.05	24.77	21.46	37.41
<b>TOTAL</b>	<b>107.19</b>	<b>91.27</b>	<b>83.44</b>	<b>97.97</b>

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

ANNEXURE - XIII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Other provisions	147.18	308.09	54.70	28.44
Provision for gratuity	0.78	-	-	-
Audit Fees Payable	0.33	0.30	0.30	0.20
<b>TOTAL</b>	<b>148.29</b>	<b>308.39</b>	<b>55.00</b>	<b>28.64</b>

**DETAILS OF DEFERRED TAX ASSET (NET) AS RESTATED**

ANNEXURE - XVI  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b><u>Deferred tax arising out of :</u></b>				
-Difference of WDV as per Companies Act, 2013 and Income Tax Act, 1961	21.39	33.41	32.14	18.28
-Expenses disallowed under Income Tax Act, 1961	-	-	-	-
Provision for gratuity	5.73	-	-	-
<b>TOTAL</b>	<b>27.12</b>	<b>33.41</b>	<b>32.14</b>	<b>18.28</b>

**DETAILS OF LONG-TERM LOANS & ADVANCES AS RESTATED**

ANNEXURE - XVII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Advance Tax & TDS receivable	-	-	9.22	8.34
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>9.22</b>	<b>8.34</b>

**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED**

ANNEXURE - XVIII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Fixed Deposit Balance with Bank (Fixed Deposits Balances (includes fixed deposits having maturity of more than 3 months with remaining maturity of more than 12 month)	144.84	141.09	132.00	-
Security deposits	30.46	30.46	20.83	20.83
<b>TOTAL</b>	<b>175.30</b>	<b>171.55</b>	<b>152.83</b>	<b>20.83</b>

**DETAILS OF INVENTORIES AS RESTATED**

ANNEXURE - XIX  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Raw material	750.17	883.62	654.66	428.85
Work-in-progress	443.48	428.50	107.96	254.15
Finished goods	243.41	162.05	201.13	154.53
Loose tools	17.48	18.36	9.67	7.25
<b>TOTAL</b>	<b>1,454.54</b>	<b>1,492.53</b>	<b>973.42</b>	<b>844.78</b>

**DETAILS OF TRADE RECEIVABLES AS RESTATED**

ANNEXURE - XX  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered Good</b>				
Trade Receivable More than Six Months	110.67	55.00	55.00	55.00
Trade Receivable Less than Six Months	1,161.12	1,017.54	841.89	694.98
<b>TOTAL</b>	<b>1,271.79</b>	<b>1,072.54</b>	<b>896.89</b>	<b>749.98</b>

**DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**

ANNEXURE - XXI  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash-in-Hand	35.34	31.89	37.85	0.25
Balance in Current Accounts	0.10	-	28.09	9.60
<b>TOTAL</b>	<b>35.44</b>	<b>31.89</b>	<b>65.94</b>	<b>9.85</b>

**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED**

ANNEXURE - XXII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	-	-	-	-
Staff advances	8.60	0.61	0.68	0.33
Subsidy receivable	195.15	184.98	11.59	29.99
TDS reimbursement receivables	-	-	1.63	0.29
Vendor advances	59.07	53.38	158.70	185.21
Interest receivable	29.02	1.12	1.12	1.89
<b>TOTAL</b>	<b>291.84</b>	<b>240.09</b>	<b>173.72</b>	<b>217.71</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

ANNEXURE - XXIII  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	2.87	2.26	2.83	2.44
<b>TOTAL</b>	<b>2.87</b>	<b>2.26</b>	<b>2.83</b>	<b>2.44</b>

**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

ANNEXURE - XXIV  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Sale of Goods				
-Domestic Sales	2,212.56	3,800.03	3,951.34	3,302.13
-Insurance on sale of goods	16.16	32.75	43.69	38.81
	-	-	-	-
<b>TOTAL</b>	<b>2,228.72</b>	<b>3,832.78</b>	<b>3,995.03</b>	<b>3,340.94</b>

**DETAILS OF OTHER INCOME AS RESTATED**

ANNEXURE - XXV  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Interest on FDR & Others	32.18	10.51	0.84	0.84
Insurance Claim Received	-	-	-	-
Freight Charges Received	4.20	15.08	18.16	11.54
Cheque Return Charges	-	-	0.04	0.09
Other operating Income	2.24	4.95	0.11	-
Discount & rate Differences	-	-	0.01	67.66
Subsidy Income received	82.39	186.94	46.13	50.92
	-	-	-	-
<b>TOTAL</b>	<b>121.01</b>	<b>217.48</b>	<b>65.29</b>	<b>131.05</b>

**DETAILS OF COST OF RAW MATERIAL CONSUMED AS RESTATED**

ANNEXURE - XXVI  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Opening Stock	883.62	654.66	428.85	298.91
Add: Purchase During the year	1,064.05	2,314.80	2,873.55	2,339.49
Less : Closing Stock	(750.17)	(883.62)	(654.66)	(428.85)
	-	-	-	-
<b>TOTAL</b>	<b>1,197.50</b>	<b>2,085.84</b>	<b>2,647.74</b>	<b>2,209.55</b>

**DETAILS OF DIRECT EXPENSES AS RESTATED**

ANNEXURE - XXVII  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Power & fuel	158.01	193.83	247.20	208.92
Petrol & Diesel Exp	19.47	42.44	43.30	31.40
Manufacturing Expenses	17.48	28.81	56.18	93.08
Water Expenses	0.62	0.96	1.53	1.14
Repair & Maintenance of Plant & Machinery and Building	1.41	21.29	14.52	24.81
	-	-	-	-
<b>TOTAL</b>	<b>196.99</b>	<b>287.33</b>	<b>362.73</b>	<b>359.35</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

**DETAILS OF CHANGES IN INVENTORIES OF FINISHED GOODS , WORK -IN-PROGRESS AND STOCK-  
IN-TRADE AS RESTATED**

ANNEXURE - XXVIII  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
<b>(a) Opening Stock</b>				
Finished Goods	162.05	201.13	154.53	178.35
Work in Progress	428.50	107.96	254.15	293.32
Loose Tools	18.36	9.67	7.25	8.37
<b>Total (a)</b>	<b>608.91</b>	<b>318.76</b>	<b>415.93</b>	<b>480.04</b>
<b>(b) Closing Stock</b>				
Finished Goods	243.41	162.05	201.13	154.53
Work in Progress	443.48	428.50	107.96	254.15
Loose Tools	17.48	18.36	9.67	7.25
<b>Total (b)</b>	<b>704.37</b>	<b>608.91</b>	<b>318.76</b>	<b>415.93</b>
<b>TOTAL (a) - (b)</b>	<b>(95.46)</b>	<b>(290.15)</b>	<b>97.17</b>	<b>64.11</b>

**DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

ANNEXURE - XXIX  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Salaries & Wages	159.43	296.12	293.96	259.01
Director Remuneration	12.60	25.20	18.00	18.00
PF Contribution	7.11	13.42	12.25	10.63
ESI Contribution	1.75	3.68	3.54	4.07
Gratuity Expenses	-	-	-	-
Staff Welfare	5.80	10.43	22.33	6.74
<b>TOTAL</b>	<b>186.69</b>	<b>348.85</b>	<b>350.08</b>	<b>298.45</b>

**DETAILS OF FINANCE COST AS RESTATED**

ANNEXURE - XXX  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Bank Charges	6.19	4.69	12.08	17.21
Interest on borrowing cost	131.06	267.63	219.75	202.39
Interest on late payment of taxes	-	-	-	0.91
<b>TOTAL</b>	<b>137.25</b>	<b>272.32</b>	<b>231.83</b>	<b>220.51</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

**DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED**

ANNEXURE -

XXXI

(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Depreciation and Amortization Expenses	73.87	156.11	174.02	203.42
<b>TOTAL</b>	<b>73.87</b>	<b>156.11</b>	<b>174.02</b>	<b>203.42</b>

**DETAILS OF OTHER EXPENSES AS RESTATED**

ANNEXURE -

XXXII

(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Auditor's Remuneration	0.33	0.65	0.30	0.20
Conveyance Expenses	-	-	0.14	0.09
Insurance Expenses	2.23	3.23	3.01	5.89
Office Expenses	1.37	3.79	5.08	4.66
Provison for gratuity	20.60	-	-	-
Legal & Professional Fees	15.54	3.92	25.57	22.95
ROC Fees	0.07	0.40	16.50	0.30
Rates & taxes	0.79	3.81	1.39	2.91
Medical expenses	-	-	0.09	0.08
Miscellaneous Expenses	0.37	3.24	3.32	1.90
Tea & Refreshment Expenses	1.02	2.07	1.71	1.35
Telephone and Internet Expenses	0.81	2.28	2.00	2.49
Loss on sale of Fixed asset	-	1.21	-	-
Rent & Travelling Expenses	1.37	4.08	1.91	4.09
Advertisement expenses	1.00	0.93	0.58	0.64
Business Promotion expenses	-	0.29	0.81	2.07
<b>TOTAL</b>	<b>45.50</b>	<b>29.90</b>	<b>62.41</b>	<b>49.62</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**

**CIN : U26109RJ2009PLC030153**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**1. CORPORATE INFORMATION**

Agarwal Toughened Glass India Limited is a company Incorporated on 30th October ,2009 , as formerly "Agarwal Toughened Glass India private Limited".

The corporate identification number of the company is U26109RJ2009PLC030153.

The company has been converted from Private Company to Public Company on 06th March ,2023.

The company is engaged into the manufacturing of toughened and laminated glasses.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS**

The restated summary statement of assets and liabilities of the Company as at September 30, 2024, March 31, 2024, 2023 and 2022 and the related restated summary statement of profits and loss and cash flows for the period ended September 30, 2024, March 31, 2024, 2023 and 2022 (herein collectively referred to as ("Restated Summary Statements") have been compiled by the management from the audited Financial Statements of the Company for the period ended on September 30, 2024, March 31, 2024, 2023 and 2022 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE in connection with its proposed SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

**2.02 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.03 PROPERTY, PLANT & EQUIPMENT**

All Fixed Assets are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**

**CIN : U26109RJ2009PLC030153**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.04 DEPRECIATION / AMORTISATION**

Depreciation on fixed assets is calculated on a Written down value method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of each are depreciated in full in the year of purchase. Intangible assets including internally developed intangible assets are amortised over the year for which the company expects the benefits to accrue. Intangible Asset - Software is amortised with a useful life of decided by the management.

**2.05 INVENTORIES**

Inventories comprises of Raw Material, Work-in-progress finished goods and Consumables stores

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

**2.06 IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

**2.07 BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**2.08 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**2.09 REVENUE RECOGNITION**

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount and sales returns.

The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for ,on final settlement.



**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.10 OTHER INCOME**

Other Income is accounted for when right to receive such income is established.

**2.11 TAXES ON INCOME**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

**2.12 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**2.13 EARNINGS PER SHARE**

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.14 Employee benefits**

Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

**2.15 SEGMENT REPORTING**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”

**Agarwal Toughened Glass India Limited**  
(Formerly known as "Agarwal Toughened Glass India private Limited")

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**3. NOTES ON RECONCILIATION OF RESTATED PROFITS**

(₹ in Lakhs)

Particulars	For the Year ended September 30, 2024	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net Profit/(Loss) after Tax as per Audited Profit &amp; Loss Account</b>	<b>460.21</b>	<b>858.24</b>	<b>106.35</b>	<b>115.18</b>
<b>Adjustments for:</b>	-	-	-	-
Depreciation and Amortization Expense	-	-	(5.12)	(33.02)
Interest on late payment of taxes	-	-	-	(0.91)
Income tax expense	5.18	-	(16.39)	1.23
Deferred tax expense	(6.29)	10.28	12.13	(32.30)
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>459.10</b>	<b>868.52</b>	<b>96.97</b>	<b>50.18</b>

**Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:**

- a. **Depreciation and Amortization Expense** : Company has charged excess depreciation in respective financials year / period which has been restated accordingly.
- b. **Interest on late payment of taxes**: The Company didn't recognised interest & Late payment charges in books ,hence the impact were restated in relevant previous
- c. **Income tax expense / MAT credit entitlement**: Impact of short / excess provision of tax for earlier years are restated accordingly.
- d. **Deferred Tax**: Due to change in depreciation as per Pt. a, the deferred tax impact has been restated using the enacted rates.

**4. NOTES ON RECONCILIATION OF RESTATED NET-WORTH**

(₹ in Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	For the year ended March 31, 2022
<b>Networth as audited (a)</b>	<b>2,101.54</b>	<b>1,641.32</b>	<b>783.07</b>	<b>676.72</b>
<b>Adjustments for:</b>				
<b>Opening Balance of Adjustments</b>	<b>(10.52)</b>	<b>(20.79)</b>	<b>(11.41)</b>	<b>53.58</b>
Depreciation expenses previous year	-	-	-	-
Deferred tax expense of previous years	-	-	-	-
Income tax expense of previous years	-	-	-	-
Change in Profit/(Loss)	(1.12)	10.27	(9.38)	(64.99)
<b>Closing Balance of Adjustments (b)</b>	<b>(11.64)</b>	<b>(10.52)</b>	<b>(20.79)</b>	<b>(11.41)</b>
<b>Networth as restated (a +b)</b>	<b>2,089.90</b>	<b>1,630.80</b>	<b>762.28</b>	<b>665.31</b>

**Explanatory notes to the above restatements to networth made in the audited Financial Statements of the Company for the respective years:**

- a. **Change in Profit/(Loss)** : Refer Note 3 above
- b. **Depreciation & Deferred tax** :The Company had made short provision for depreciation and deferred tax of tax for earlier years which has now been restated and

**5. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:**

**a. Material Regrouping**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**Agarwal Toughened Glass India Limited**  
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**DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED**

ANNEXURE- XIV

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	AS AT 01.04.2024	ADDITIONS	DEDUCTIONS	AS AT 30.09.2024	UPTO 01.04.2024	For the period	DEDUCTIONS	UPTO 30.09.2024	AS AT 30.09.2024	AS AT 31.03.2024
<b>Property, Plant &amp; Equipment</b>										
Land	424.48	-	-	424.48	-	-	-	-	424.48	424.48
Computers	7.13	-	-	7.13	6.87	0.10	-	6.97	0.16	0.26
Furniture	22.17	-	-	22.17	14.91	1.10	-	16.01	6.16	7.26
Building	1,028.12	310.57	-	1,338.69	326.52	36.44	-	362.96	975.73	701.60
Office Equipment	13.29	-	-	13.29	11.66	0.37	-	12.03	1.26	1.63
Vehicle	134.90	-	-	134.90	101.04	5.70	-	106.74	28.16	33.86
Plant & Machinery	778.28	462.02	-	1,240.30	510.65	30.16	-	540.81	699.49	267.63
<b>Total</b>	<b>2,408.37</b>	<b>772.59</b>	<b>-</b>	<b>3,180.96</b>	<b>971.65</b>	<b>73.87</b>	<b>-</b>	<b>1,045.52</b>	<b>2,135.44</b>	<b>1,436.72</b>

(₹ In Lakhs)

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	AS AT 01.04.2023	ADDITIONS	DEDUCTIONS	AS AT 31.03.2024	UPTO 01.04.2023	For the period	DEDUCTIONS	UPTO 31.03.2024	AS AT 31.03.2024	AS AT 31.03.2023
<b>Property, Plant &amp; Equipment</b>										
Land	424.48	-	-	424.48	-	-	-	-	424.48	424.48
Computers	7.13	-	-	7.13	6.55	0.32	-	6.87	0.26	0.58
Furniture	21.68	0.49	-	22.17	12.15	2.76	-	14.91	7.26	9.53
Building	1,028.12	-	-	1,028.12	250.43	76.09	-	326.52	701.60	777.69
Office Equipment	11.79	1.50	-	13.29	10.47	1.19	-	11.66	1.63	1.32
Vehicle	130.79	17.37	13.26	134.90	96.56	16.06	11.58	101.04	33.86	34.23
Plant & Machinery	778.28	-	-	778.28	450.96	59.69	-	510.65	267.63	327.32
<b>Total</b>	<b>2,402.27</b>	<b>19.36</b>	<b>13.26</b>	<b>2,408.37</b>	<b>827.12</b>	<b>156.11</b>	<b>11.58</b>	<b>971.65</b>	<b>1,436.72</b>	<b>1,575.15</b>

**Agarwal Toughened Glass India Limited**  
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**DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED**

ANNEXURE- XIV

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	AS AT 01.04.2022	ADDITIONS	DEDUCTIONS	AS AT 31.03.2023	UPTO 01.04.2022	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2023	AS AT 31.03.2023	AS AT 31.03.2022
<b>Property, Plant &amp; Equipment</b>										
Land	424.48	-	-	424.48	-	-	-	-	424.48	424.48
Computers	6.95	0.18	-	7.13	6.13	0.42	-	6.55	0.58	0.82
Furniture	21.68	-	-	21.68	8.82	3.33	-	12.15	9.53	12.86
Building	1,028.12	-	-	1,028.12	168.79	81.64	-	250.43	777.69	859.33
Office Equipment	11.22	0.57	-	11.79	9.72	0.75	-	10.47	1.32	1.50
Vehicle	130.79	-	-	130.79	81.01	15.55	-	96.56	34.23	49.78
Plant & Machinery	778.14	0.14	-	778.28	378.63	72.33	-	450.96	327.32	399.51
	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,401.38</b>	<b>0.89</b>	<b>-</b>	<b>2,402.27</b>	<b>653.10</b>	<b>174.02</b>	<b>-</b>	<b>827.12</b>	<b>1,575.15</b>	<b>1,748.28</b>

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	AS AT 01.04.2021	ADDITIONS	DEDUCTIONS	AS AT 31.03.2022	UPTO 01.04.2021	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2022	AS AT 31.03.2022	AS AT 31.03.2021
<b>Property, Plant &amp; Equipment</b>										
Land	424.48	-	-	424.48	-	-	-	-	424.48	424.48
Computers	5.41	1.54	-	6.95	4.98	1.15	-	6.13	0.82	0.43
Furniture	9.57	12.11	-	21.68	4.67	4.15	-	8.82	12.86	4.90
Building	497.70	530.42	-	1,028.12	82.70	86.09	-	168.79	859.33	415.00
Office Equipment	9.13	2.09	-	11.22	7.60	2.12	-	9.72	1.50	1.53
Vehicle	100.73	30.06	-	130.79	61.18	19.83	-	81.01	49.78	39.55
Plant & Machinery	765.19	12.95	-	778.14	288.55	90.08	-	378.63	399.51	476.64
<b>Total</b>	<b>1,812.21</b>	<b>589.17</b>	<b>-</b>	<b>2,401.38</b>	<b>449.68</b>	<b>203.42</b>	<b>-</b>	<b>653.10</b>	<b>1,748.28</b>	<b>1,362.53</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE -

XXXIII  
(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022	Nature
Other Income	121.01	217.48	65.29	131.05	
Net Profit Before Tax as Restated	607.39	1,160.06	134.34	66.98	
<b>Percentage</b>	<b>19.92%</b>	<b>18.75%</b>	<b>48.60%</b>	<b>195.66%</b>	

**Source of Income**

Interest on FDR & Others	32.18	10.51	0.84	0.84	Recurring and Not related to Business Activity
Freight Charges Received	4.20	15.08	18.16	11.54	Recurring and related to Business Activity
Cheque Return Charges	-	-	0.04	0.09	Non-Recurring and related to Business Activity
Rental Income	1.20	2.40	-	-	Recurring and related to Business Activity
Labour Charges & Handling Charges	1.04	2.54	0.11	-	Recurring and related to Business Activity
Discount & rate Differences	-	-	0.01	67.66	Non - Recurring and related to Business Activity
Subsidy Income received	82.39	186.94	46.13	50.92	Recurring and related to Business Activity
<b>Total Other income</b>	<b>121.01</b>	<b>217.48</b>	<b>65.29</b>	<b>131.05</b>	

**Agarwal Toughened Glass India Limited**  
(Formerly known as "Agarwal Toughened Glass India private Limited")  
CIN : U26109RJ2009PLC030153

**DETAILS OF CAPITAL WORK IN PROGRESS**

**ANNEXURE-**

XV  
(₹ In Lakhs)

Particulars	Opening balance	Additon / Deduction		Closing Balance
	As at 01.04.2024	Addition	Put to use	As at 30.09.2024
<b>Project 3 (Factory building F-2236)</b>				
Building	211.84	411.94	310.57	313.21
Plant & Machinery	462.02	-	462.02	-
<b>Total</b>	<b>673.86</b>	<b>411.94</b>	<b>772.59</b>	<b>313.21</b>

Particulars	Opening balance	Additon / Deduction		Closing Balance
	As at 01.04.2023	Addition	Put to use	As at 31.03.2024
<b>Project 3 (Factory building F-2236)</b>				
Building	84.53	127.31	-	211.84
Plant & Machinery	95.65	366.37	-	462.02
<b>Total</b>	<b>180.18</b>	<b>493.68</b>	<b>-</b>	<b>673.86</b>

Particulars	Opening balance	Additon / Deduction		Closing Balance
	As at 01.04.2022	Addition	Put to use	As at 31.03.2023
<b>Project 3 (Factory building F-2236)</b>				
Building	-	84.53	-	84.53
Plant & Machinery	-	95.65	-	95.65
<b>Total</b>	<b>-</b>	<b>180.18</b>	<b>-</b>	<b>180.18</b>

Particulars	Opening balance	Additon / Deduction		Closing Balance
	As at 01.04.2021	Addition	Put to use	As at 31.03.2022
<b>Project 2 (Restaurant S.No - S9A)</b>				
Building	522.81	-	522.81	-
<b>Total</b>	<b>522.81</b>	<b>-</b>	<b>522.81</b>	<b>-</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED AS RESTATED:**

**ANNEXURE - XXXIX**  
(₹ In Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	₹	₹	₹	₹
(a) Dues remaining unpaid to any supplier at the end of each accounting year				
-Principal	23.98	20.72	23.67	20.85
-Interest on the above		-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have 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;		-	-	-
(d) 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.		-	-	-

**Note :** Note: The Company has not accounted for interest provisions as per MSMED Act, 2006 as the company has made payments to MSME Vendors within contractual period which is exceeding the contractual time-limit as per MSMED Act, 2006 and the amount payable to them are agreed between the company and the vendors considering the contractual credit period and hence, no interest is payable.

**Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013:**

XL

- i. The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- ii. The Company has not revalued its Property, Plant and Equipment.
- iii. The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

iv. The company had capital work-in-progress in relevant financial year and ageing are represented below.

**a. For the Year ended as on September 30 , 2024**

CWIP	Amount of CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress</b>	-	-	-	-
- Project 1		-	-	-
- Project 2	-	-	-	-
- Project 3	313.21	-	-	-
<b>Projects temporarily suspended</b>	-	-	-	-

**a. For the Year ended as on March 31 , 2024**

CWIP	Amount of CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress</b>	-	-	-	-
- Project 1		-	-	-
- Project 2	-	-	-	-
- Project 3	493.68	180.18	-	-
<b>Projects temporarily suspended</b>	-	-	-	-

**a. For the Year ended as on March 31 , 2023**

CWIP	Amount of CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress</b>	-	-	-	-
- Project 1	-		-	-
- Project 2	-	-	-	-
- Project 3	180.18		-	-
<b>Projects temporarily suspended</b>		-	-	-

**a. For the Year ended as on March 31 , 2022**

CWIP	Amount of CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress</b>	-	-	-	-
- Project 1		-	-	-
- Project 2	-	-	-	-
- Project 3		-	-	-
<b>Projects temporarily suspended</b>	-	-	-	-

v. The Company doesnot have any intangible assets under development

vi. No 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

vii The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

viii. The company is not declared as wilful defaulter by any bank or financial institution or other lender.

ix. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

x. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

xi. The company does not have any investments and hence, compliance with the 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.



**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

xii. Significant Accounting Ratios:

Ratios	For the Year ended September 30, 2024
(a) Current Ratio	1.35
(b) Debt-Equity Ratio	1.49
(c) Debt Service Coverage Ratio	0.25
(d) Return on Equity Ratio	24.43%
(e) Inventory turnover ratio	0.88
(f) Trade Receivables turnover ratio	1.90
(g) Trade payables turnover ratio	6.69
(h) Net capital turnover ratio	0.80
(i) Net profit ratio	20.37%
(j) Return on Capital employed	11.94%

Ratios	For the Year ended March 31, 2024	For the Year ended March 31, 2023	Variation (%)
(a) Current Ratio	1.27	1.33	(4.80%)
(b) Debt-Equity Ratio	1.81	3.95	(54.23%)
(c) Debt Service Coverage Ratio	0.50	0.17	190.91%
(d) Return on Equity Ratio	72.59%	13.59%	434.30%
(e) Inventory turnover ratio	1.69	3.42	(50.58%)
(f) Trade Receivables turnover ratio	3.89	4.85	(19.77%)
(g) Trade payables turnover ratio	14.87	27.60	(46.11%)
(h) Net capital turnover ratio	1.71	2.22	(23.03%)
(i) Net profit ratio	22.66%	2.43%	833.57%
(j) Return on Capital employed	31.34%	9.73%	222.09%

(b) Debt-Equity Ratio :	Shareholders fund increased due to bonus share issued during the year and better profitability helped in improving ratio
(c) Debt Service Coverage Ratio	Increase in cash profit during the year helped improving our ratio
(d) Return on Equity Ratio	Increased margin in gross profit and net profit as well helped achieve better ratio
(e) Inventory turnover ratio	Company acquired long duration project , long duration require same quality of product, due to which excess quantity purchased from suppliers which increased our holding period
(g) Trade payables turnover ratio	Improved payment cycle to creditors for better rates in purchasing improved our ratio
(h) Net profit ratio	High margin product supply improved profitability and new machine reduced manufacturing exp. Further enhancing our net profit ratio.
(i) Return on Capital employed	Profit before tax improved on better performance by company. Which improved our return on capital employed

(f) Return on Capital employed increased because increase in net operating margin compared to the previous period.

Ratios	For the year ended March 31, 2023	For the year ended March 31, 2022	Variation (%)
(a) Current Ratio	1.33	1.26	5.35%
(b) Debt-Equity Ratio	3.95	4.07	(3.01%)
(c) Debt Service Coverage Ratio	0.17	0.17	2.54%
(d) Return on Equity Ratio	13.59%	7.84%	42.31%
(e) Inventory turnover ratio	3.42	3.24	5.13%
(f) Trade Receivables turnover ratio	4.85	4.93	(1.57%)
(g) Trade payables turnover ratio	27.60	24.11	12.62%
(h) Net capital turnover ratio	2.22	3.30	(48.46%)
(i) Net profit ratio	2.43%	1.50%	38.12%
(j) Return on Capital employed	9.73%	8.14%	16.30%

**Reasons for Variation more than 25%:**

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

(d) Return on Equity Ratio	Return on Equity Ratio Increased because of Increase of Net Profit (Net profit ratio Increases because of Efficient management. Low cost (expenses)
(h) Net capital turnover ratio	Net capital turnover ratio decreased because invest more during COVID period in accounts receivable and inventory to support its sales.
(i) Net profit ratio	Net profit ratio Increases because of Efficient management. Low cost (expenses).

**Agarwal Toughened Glass India Limited**  
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**CIN : U26109RJ2009PLC030153**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

- xiii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- xiv. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Capitalisation Statement as at September 30, 2024**

**ANNEXURE -**

XLI  
(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	1,737.71	-
Long Term Debt (B)	1,317.68	-
<b>Total debts (C)</b>	<b>3,055.39</b>	-
<b>Shareholders' funds</b>		
Share capital	1,187.50	-
Reserve and surplus - as Restated	897.22	-
<b>Total shareholders' funds (D)</b>	<b>2,084.72</b>	-
<b>Long term debt / shareholders funds (B/D)</b>	<b>0.63</b>	-
<b>Total debt / shareholders funds (C/D)</b>	<b>1.47</b>	-

**Signatures to Annexures Forming Part Of The Restated Financial Statements**

For and on behalf of the Board of Directors

Sd/-  
Anita Agarwal  
(Managing Director)  
DIN - 09740258

Sd/-  
Mahesh Kumar Agarwal  
(Director)  
DIN - 02806108

Sd/-  
Mangal Ram Prajapati  
CFO

Place : Jaipur  
Date : 11/11/2024

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

AGEING OF TRADE PAYABLES AS RESTATED

ANNEXURE - XXXIV  
(₹ In Lakhs)

**I. Ageing of Creditors as at September 30, 2024**

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	
(a) MSME	23.98	-	-	-	23.98
(b) Others	234.88	6.52	4.16	-	245.56
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>258.86</b>	<b>6.52</b>	<b>4.16</b>	<b>-</b>	<b>269.54</b>

**II. Ageing of Creditors as at March 31, 2024**

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	
(a) MSME	20.72	-	-	-	20.72
(b) Others	151.95	0.10	4.06	-	156.11
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>172.67</b>	<b>0.10</b>	<b>4.06</b>	<b>-</b>	<b>176.83</b>

**III. Ageing of Creditors as at March 31, 2023**

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	
(a) MSME	23.67	-	-	-	23.67
(b) Others	123.97	4.06	-	-	128.03
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>147.64</b>	<b>4.06</b>	<b>-</b>	<b>-</b>	<b>151.70</b>

**IV. Ageing of Creditors as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	20.85	-	-	-	20.85
(b) Others	97.85	3.87	-	-	101.72
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>118.70</b>	<b>3.87</b>	<b>-</b>	<b>-</b>	<b>122.57</b>

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

AGEING OF TRADE RECEIVABLES AS RESTATED

ANNEXURE -

XXXV

(₹ In Lakhs)

**I. Ageing of Debtors as at September 31, 2024**

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	
(a) Undisputed Trade receivables - considered good	1,161.12	55.67	-	-	37.70	1,254.49
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	17.30	17.30
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,161.12</b>	<b>55.67</b>	<b>-</b>	<b>-</b>	<b>55.00</b>	<b>1,271.79</b>

**I. Ageing of Debtors as at March 31, 2024**

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	
(a) Undisputed Trade receivables - considered good	1,017.54	-	-	35.45	2.25	1,055.24
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	17.30	17.30
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,017.54</b>	<b>-</b>	<b>-</b>	<b>35.45</b>	<b>19.55</b>	<b>1,072.54</b>

**I. Ageing of Debtors as at March 31, 2023**

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	
(a) Undisputed Trade receivables - considered good	841.89	-	35.45	2.25	-	879.59
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	17.30	-	17.30
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>841.89</b>	<b>-</b>	<b>35.45</b>	<b>19.55</b>	<b>-</b>	<b>896.89</b>

**I. Ageing of Debtors as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	694.98	35.45	2.25	-	-	732.68
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	17.30	-	-	17.30
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>694.98</b>	<b>35.45</b>	<b>19.55</b>	<b>-</b>	<b>-</b>	<b>749.98</b>

**Agarwal Toughened Glass India Limited**  
(Formerly known as "Agarwal Toughened Glass India private Limited")

CIN : U26109RJ2009PLC030153

DETAILS OF ACCOUNTING RATIOS AS RESTATED

ANNEXURE - XXXVI  
(₹ In Lakhs, except per share data and ratios)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Restated Profit after Tax as per Profit & Loss Statement (A)	453.92	868.52	96.97	50.18
Tax Expense (B)	153.47	291.54	37.37	16.80
Depreciation and amortization expense (C)	73.87	156.11	174.02	203.42
Interest Cost (D)	131.06	267.63	219.75	202.39
Weighted Average Number of Equity Shares at the end of the Year Pre Bonus Issue (E1)	1,18,75,000	47,50,000	47,50,000	47,50,000
Weighted Average Number of Equity Shares at the end of the Year Post Bonus Issue (E2)	1,18,75,000	1,18,75,000	1,18,75,000	1,18,75,000
Number of Equity Shares outstanding at the end of the Year (F)	1,18,75,000	1,18,75,000	47,50,000	47,50,000
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	2,084.72	1,630.80	762.28	665.31
Current Assets (I)	3,056.48	2,839.31	2,112.80	1,824.76
Current Liabilities (J)	2,262.73	2,243.02	1,588.98	1,449.88
<b>Earnings Per Share - Basic &amp; Diluted<sup>1 &amp; 2</sup> (₹) (Pre-Bonus)</b>	<b>3.82</b>	<b>18.28</b>	<b>2.04</b>	<b>1.06</b>
<b>Earnings Per Share - Basic &amp; Diluted<sup>1 &amp; 2</sup> (₹) (Post-Bonus)</b>	<b>3.82</b>	<b>7.31</b>	<b>0.82</b>	<b>0.42</b>
<b>Return on Net Worth<sup>1 &amp; 2</sup> (%)</b>	<b>21.77%</b>	<b>53.26%</b>	<b>12.72%</b>	<b>7.54%</b>
<b>Net Asset Value Per Share<sup>1</sup> (₹)</b>	<b>17.56</b>	<b>13.73</b>	<b>16.05</b>	<b>14.01</b>
<b>Net Asset Value Per Share<sup>1</sup> (₹) (based on number of equity shares outstanding at the end of the year after giving effect to any bonus or split of shares undertaken after the last balance sheet date) (₹)</b>	<b>17.56</b>	<b>13.73</b>	<b>6.42</b>	<b>5.60</b>
<b>Current Ratio<sup>1</sup></b>	<b>1.35</b>	<b>1.27</b>	<b>1.33</b>	<b>1.26</b>
<b>Earning before Interest, Tax and Depreciation and Amortization<sup>1</sup> (EBITDA)</b>	<b>812.32</b>	<b>1,583.80</b>	<b>528.11</b>	<b>472.79</b>

**Notes -**

1. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) :	$\frac{A}{E1 \text{ or } E2}$
Return on Net Worth (%) :	$\frac{A}{H}$
Net Asset Value per equity share (₹) :	$\frac{H}{F \text{ \& } E2}$
Current Ratio:	$\frac{I}{J}$
Earning before Interest, Tax and Depreciation and Amortization (EBITDA):	A + (B+C+D)

2. Ratios are not annualised

2. Bonus shares Issued during the year

4. The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Annexure I - III.

**Agarwal Toughened Glass India Limited**  
**(Formerly known as "Agarwal Toughened Glass India private Limited")**  
**CIN : U26109RJ2009PLC030153**

STATEMENT OF TAX SHELTERS

ANNEXURE -

XXXVIII

(₹ In Lakhs)

Particulars	For the year ended September 30,2024	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31, 2022
Profit before tax as per books (A)	607.39	1,160.06	134.34	66.98
Income Tax Rate (%)*	25.17%	25.17%	27.82%	26.00%
MAT Rate (%)	N.A.	15.60%	15.60%	15.60%
Tax at notional rate on profits	152.87	291.96	37.37	17.41
<b>Adjustments :</b>				
<b>Permanent Differences(B)</b>				
<i>Expenses disallowed under Income Tax Act, 1961</i>				
Interest on Late payment of taxes	-	-	-	0.91
<b>Total Permanent Differences(B)</b>	-	-	-	<b>0.91</b>
<b>Income considered separately (C)</b>				
Interest Income	(32.18)	(10.51)	(0.84)	(0.84)
<b>Total Income considered separately (C)</b>	<b>(32.18)</b>	<b>(10.51)</b>	<b>(0.84)</b>	<b>(0.84)</b>
<b>Timing Differences (D)</b>				
Depreciation as per Companies Act, 2013	73.87	156.11	174.02	203.42
Depreciation as per Income Tax Act, 1961	(117.08)	(152.79)	(124.13)	(156.40)
Provision for gratuity	20.60	0.00	0.00	0.00
<b>Total Timing Differences (D)</b>	<b>(22.61)</b>	<b>3.32</b>	<b>49.89</b>	<b>47.02</b>
<b>Net Adjustments E = (B+C+D)</b>	<b>(54.79)</b>	<b>(7.19)</b>	<b>49.05</b>	<b>47.09</b>
<b>Tax expense / (saving) thereon</b>	<b>(13.79)</b>	<b>(1.81)</b>	<b>13.65</b>	<b>12.24</b>
<b>Income from Other Sources</b>				
Interest Income	32.18	10.51	0.84	0.84
<b>Income from Other Sources (F)</b>	<b>32.18</b>	<b>10.51</b>	<b>0.84</b>	<b>0.84</b>
<b>Set-off from Brought Forward Losses (G)</b>	-	-	-	-
<b>Deduction Under Chapter VI A (H)</b>				
- Donation u/s 37	0.00	0.00	0.00	0.00
<b>Taxable Income/(Loss) as per Income Tax (A+E+F+G-H)</b>	<b>584.78</b>	<b>1,163.38</b>	<b>184.23</b>	<b>114.91</b>
<b>Taxable Income/(Loss) as per MAT</b>	607.39	1,160.06	134.34	66.98
<b>Income Tax as returned/computed</b>	147.18	292.80	51.25	29.88
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

\*Note : The Company has opted taxation U/s 115BAA from FY 2023-24.

## OTHER FINANCIAL INFORMATION

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

*(₹ in lakhs, except per share value)*

Particulars	September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Worth (A)	2,084.72	1,630.80	762.28	665.31
EBITDA	697.50	1,371.01	474.90	359.86
Restated Profit After Tax as per Profit & Loss Account	453.92	868.52	96.97	50.18
Adjusted Profit After Tax (B)	453.92	868.52	96.97	50.18
Actual Number of outstanding equity shares at the end of the period (C)	1,18,75,000	1,18,75,000	47,50,000	47,50,000
Weighted average no of equity shares at the time of end of the year (D) (Pre Bonus/Right issue)	1,18,75,000	1,18,75,000	47,50,000	47,50,000
Weighted Number of outstanding equity shares at the end of the period (E) (Post Bonus issue)	1,18,75,000	1,18,75,000	1,18,75,000	1,18,75,000
Current Assets (F)	3,056.48	2,839.31	2,244.80	1,824.76
Current Liabilities (G)	2,262.73	2,218.61	1,669.00	1,346.05
Face value per share (₹)	10.00	10.00	10.00	10.00
Number of shares	1,18,75,000	1,18,75,000	47,50,000	47,50,000
<b>Earnings per share</b>				
Restated basic and diluted earning per share (Pre Bonus INR) (B/D)	3.82*	7.31	2.04	1.06
Restated basic and diluted earning per share (Post Bonus INR) (B/E)	3.82*	7.31	0.82	0.42
Return on Net Worth (%) (B/A)	21.77%	53.3%	12.7%	7.5%
Net asset value per share - Pre Bonus (A/C) (Face value of ₹ 10 each)	17.56	13.73	16.05	14.01
Net asset value per share based on shares at the end of the year (Face value of ₹ 10 each)(A/E)(Post Bonus)	17.56	13.73	6.42	5.60
Current Ratio (F/G)	1.35	1.28	1.34	1.36

\* Not Annualised

For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 178 of this Red Herring Prospectus.

### Other financial statements

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the Fiscals 2024, 2023 and 2022 (“**Audited Financial Statements**”), are available on our website at [www.agarwaltuff.com](http://www.agarwaltuff.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements of our Company and the reports thereon do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, 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.



## FINANCIAL INDEBTEDNESS

Our Company has availed credit facilities in its ordinary course of business for the purposes of meeting its long term and working capital requirements Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements.

### *Facilities availed directly by our Company*

Our Company has availed loan facilities from (i) HDFC Bank Limited, (ii) Axis Bank Limited, (iii) SIDBI, (iv) ECL Finance Limited, and (v) AU Small Finance Bank Limited. As on September 30, 2024, we have availed secured loans of which the total outstanding amount is ₹ 2,732.91 lakhs. The details of the loans have been provided below:

(₹ in lakhs)

Sr. No.	Category of Borrowing	Amount Sanctioned	Amount Outstanding as on September 30, 2024	Rate of Interest/Commission	Tenure / Tenor	Security / Collateral
<b>SIDBI</b>						
1.	Purchase of Plant and Machinery	481.64	341.56	8.25% per annum	54 months	<p><b>Primary Security:</b></p> <ul style="list-style-type: none"> <li>Proposed P&amp;M amounting ₹ 481.64 Lakh (Glass tempering machine, Edge machines, Drilling machines etc) to be acquired under project will be hypothecated with SIDBI.</li> <li>Security in the form of FD with SIDBI of ₹ 132 Lakh in the name of the borrower.</li> </ul> <p><b>Personal Guarantee:</b></p> <ul style="list-style-type: none"> <li>Shri Mahesh Kumar Agarwal</li> <li>Shri Uma Shankar Agarwal</li> <li>Smt. Sharda Agarwal</li> </ul>
	<b>Total</b>	<b>481.64</b>	<b>341.56</b>			
<b>HDFC Bank Limited</b>						
2.	Cash Credit	1200	1146.12	9.35 % per annum	12 months	<p><b>Primary Security:</b></p> <ul style="list-style-type: none"> <li>All the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and any other goods, movable assets or merchandise whatsoever now or at any time hereafter belonging to the Security Provider or at any other place whatsoever and where so ever in possession of the Security Provider or occupation or at any other premises or place.</li> <li>All the book debts, amounts outstanding, monies receivables, claims and bills which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to the Security Provider in the course of its business by</li> </ul>
	Business Banking Group, Working Capital- Term Loan	185	NIL	9.25% per annum	48 months	
	Business Banking Group, Working Capital- Term Loan	116	94.48	9.25% per annum	60 months	

Sr. No.	Category of Borrowing	Amount Sanctioned	Amount Outstanding as on September 30, 2024	Rate of Interest/Commission	Tenure / Tenor	Security / Collateral
						<p>any person, firm, company or body corporate or by a government department or office or any municipal or local or public or semi government body or authority or any body corporate or undertaking.</p> <ul style="list-style-type: none"> <li>Industrial Factory Plot No. F- 2264 at Industrial Ramchandrapura Rao, Jaipur – 302 017, Rajasthan, India.</li> <li>Residential Property Plot No. 27 in scheme No. 15, Ganga Ram Nagaroot Gopal Pura Bypass road, Jaipur – 302 017, Rajasthan, India.</li> <li>Residential Plot No. 129, Oriental Bank Staff Avasiya Yojna, Jaipur – 303 905, Jagatpura, Rajasthan, India.</li> </ul>
3.	Mortgage Loan	575	462.08	7.00% per annum	120 months	<p><b>Collateral Security:</b></p> <ul style="list-style-type: none"> <li>F-2236, Industrial Area, Ramchandrapura Rao, Jaipur – 302 017, Rajasthan, India.</li> </ul> <p><b>Co-Borrower:</b></p> <ul style="list-style-type: none"> <li>Sharda Agarwal</li> <li>Mahesh Kumar Agarwal</li> <li>Uma Shankar Agarwal</li> </ul>
4.	Vehicle Loan	15.65	12.15	9.26% per annum	60 months	Eicher2110
5.	Vehicle Loan	20.41	10.44	7.19% per annum	60 months	Tata truck
6.	Vehicle Loan	13.96	5.99	8.65% per annum	60 months	Verna
	<b>Total</b>	<b>2,126.02</b>	<b>1,731.26</b>			
<b>AU SMALL FINANCE Bank Limited</b>						
7.	Business Banking Term Loan Under ECLGS	100	77.36	9.25% per annum	60 months	Plot No. S-9A, Shri Gopal Nagar, Appolo Nagar, Gopalpura, Jaipur – 302 215, Rajasthan, India.
8.	Term Loan	303.95	282.38	10.25% per annum	12 months	Plot No. S-9A, Shri Gopal Nagar, Appolo Nagar, Gopalpura, Jaipur – 302 215, Rajasthan, India.
	Dropline Overdraft	321.20	293.11			
	<b>Total</b>	<b>725.15</b>	<b>652.85</b>			
<b>AXIS Bank Limited</b>						
9.	Vehicle Loan	8.65	NIL	9.46% per annum	60 months	Maruti Brezza with chassis no: 557098 and engine no: 9777
10.	Vehicle Loan	14.33	7.24	8.01% per annum	84 months	Kia
	<b>Total</b>	<b>22.98</b>	<b>7.24</b>			
<b>ECL Finance Limited</b>						
11.	Mortgage Loan	49.50	NIL	13.00% per annum	121 months	Shop at Sunny Mart Jaipur and personal guarantee by directors

Sr. No.	Category of Borrowing	Amount Sanctioned	Amount Outstanding as on September 30, 2024	Rate of Interest/ Commission	Tenure / Tenor	Security / Collateral
	<b>Total</b>	<b>49.50</b>	<b>NIL</b>			

Principal terms of the financial arrangements entered into by our Company are disclosed below:

1. **Penal Interest:** The terms of certain financing facilities availed by our Company prescribes penalties for non-compliance of certain obligations by our Company. These include, inter alia, delay in payment of or non-payment of instalments or interest, irregularity in cash credit, non-submission / delay in stock statement, non-submission of renewal data, noncompliance with covenants, use of funds for anything other than the purpose for which the loan was availed, non-payment / non acceptance of demand / usance bills of exchange on presenting at due dates etc.
2. **Pre-payment:** Some of the terms of facilities availed by our Company have prepayment provisions which allow for pre-payment of the outstanding loan amount, subject to such prepayment penalties as laid down in the facility agreements.
3. **Events of Default:** The financing arrangements entered into by our Company contain standard events of default, including:
  - i. Default in performance of covenants, conditions or agreements in respect of the loan;
  - ii. Default in payment of EMIs or any other amounts due to the lender;
  - iii. Any unauthorized modification in the shareholding pattern of our Company including issuance of new shares in the share capital of our Company;
  - iv. Any action taken or legal proceedings initiated for winding up, dissolution, or reorganization or for appointment of receiver, trustee or similar officer of any of Company's assets;
  - v. Any information provided by our Company for financial assistance found to be misleading or incorrecion any material respect;
  - vi. For the period of overdue interest/instalment in respect of Term Loans and over drawings above the drawing power/limit in Fund Based Working Capital accounts on account of interest/devolvement of letters of credit/bank guarantee, insufficient stocks and receivables etc.;
  - vii. Non-renewal of insurance policies in a timely manner or inadequate insurance cover;
  - viii. Opening new current or other accounts, with banks outside the lending arrangement without obtaining Bank's NOC, or maintaining any current with any bank would amount to an event of default.

The details above are indicative and there are additional terms that may amount to an event of default under the financing arrangements entered into by our Company. Our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the agreements relating to the financing arrangements entered into by our Company, are not triggered.

4. **Consequences of Events of Default:** The financing arrangements entered into by our Company set out the consequences of occurrence of events of default, including:
  - i. Obligation on part of the lender to make or continue to make the loan available, stands terminated;
  - ii. The lender may demand all or any part of the amount due together with accrued interest and all other amounts accrued shall become due and payable immediately;
  - iii. The lender may, without any prior notice to our Company, enforce any and/or all security created in its favour;
  - iv. The lender may levy additional/ default interest;
  - v. The lender may apply or appropriate or set off any credit balance standing on our Company's account with the lender towards satisfaction of any sum due;
  - vi. The lender may exercise powers to recall the advance and take recovery action including action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002;
  - vii. The lender may invoke guarantees of the guarantors or any other contractual comfort that may have been provided;
  - viii. The lender may cancel the undrawn commitment and suspend withdrawals under the facility; or
  - ix. The lender will have the right to appoint a nominee and/or observer on the Board;
  - x. In case of default on his part to deliver possession, it shall be lawful for the Bank and its officers to take possession of the Hypothecated Vehicle from him and sell the same by private contract or otherwise as pledgee/hypothecate/mortgagee for adjustment of the Loan account;

- xi. In the event of default on our part in honoring the guarantee hereby provided for repayment of the Bank's dues, despite having sufficient means, the Bank shall be entitled to proceed against us to declare us as 'Willful defaulter' in accordance with guidelines/instructions issued by RBI from time to time".

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company.

5. **Restrictive Covenants:** Certain financing arrangements entered into by us contain restrictive covenants. An indicative list of such restrictive covenants is disclosed below. Our Company shall not without the prior approval of the lenders:

- i. Enter into borrowing arrangements either secured or unsecured with any other bank/financial institutions, or otherwise or accept deposits apart from the existing arrangement;
- ii. The Borrower agrees not to induct any person in its board of director who has been identified as willful defaulter as per directions/guidelines of RBI or Bank
- iii. Invest by way of share capital in or lend or advance funds to or place deposits with any concern: normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
- iv. Transfer of the controlling interest or making any drastic change in the management set-up including resignation of promoter directors (includes key managerial personnel);
- v. Payment of commission to the guarantor for guaranteeing the credit facilities sanctioned by the Bank.
- vi. Make any alteration or modifications to the Hypothecated Assets;
- vii. Mortgage, lease, surrender or alienation of property or any part thereof;
- viii. Enter into any agreement or arrangement with any person, institution or local or government body for the use, occupation or disposal of the property or any part thereof during the pendency of the loan;
- ix. Enter into any scheme of merger, demerger, acquisition, reorganization, scheme of arrangement or reconstruction;
- x. Declare any dividend if it fails to meet its interest payment obligations, make any investments by way of share capital or debentures and/ or advance funds to any party other than in the normal course of business;
- xi. Recognize or register any transfer of shares in our Company's shareholding pattern/capital made or to be made by the promoters and their associates;
- xii. Change or cause to change its shareholding pattern/ extent and nature of holding of the body corporate and/ or its directors/ partners/ designated partner and/or its constituent documents in the nature of Memorandum of Association etc.;
- xiii. Permit any significant change in the nature of business of our Company, ownership or control of our Company;
- xiv. Repay/ prepay or service any unsecured/ secured loans from the Promoter Group/ Directors and such loans from the Promoter Group/ Directors shall, during the tenor of the credit facility availed.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company.

## UNSECURED BORROWINGS

As on September 30, 2024, we have availed unsecured loans of which the total outstanding amount is ₹ 322.48 lakhs as of date, the details of which are as under:

Sr. No.	Nature of Facilities	Tenure	Rate of interest	Sanctioned Amount (₹ In lakhs)	Amount outstanding as on September 30, 2024 (₹ In lakhs)
1.	Tata Capital Term Loan	36 months	17% per annum	35.00	NIL
2.	HDFC Credit Card	Revolving Credit	NA	25.00	24.34
3.	Loan by Directors	-	-	NA	298.14
	<b>Total</b>			<b>60.00</b>	<b>322.48</b>

We are required to ensure that the aforementioned events of default and other events of default, as specified under the various binding documents and agreements entered into by the Company for the purpose of availing of loans, are not triggered.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Red Herring Prospectus. You should also read the section entitled "Risk Factors" on page 28 which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our auditor dated July 12, 2024 which is included in this Red Herring Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Overview of the Company**

Agarwal Toughened Glass India Limited is in the business of manufacturing toughened glass. Our product portfolio consists of toughened value addition glasses which are of various thickness and sizes. The toughened value addition glasses are obtained after processing the float glass. After processing the toughened glass, variety of glasses are further obtained such as clear toughened glass, laminated toughened glass, reflective toughened glass, tinted toughened glass, double glazing glass and frosted toughened glass. As a result of its safety and strength, toughened glass is used in a variety of demanding applications including passenger vehicle windows, shower doors, architectural glass doors and tables, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks and various types of plates and cookware etc. Also toughened glass is commonly used in doors, facades, staircases, balustrades and as partitions in the shopping malls, hospitals, airports, residential apartments, commercial apartments building etc.

From incorporation date till 2015, our company was under the process of setting up its factory unit. From 2016 onwards, our company started its 1<sup>st</sup> factory unit and the 2<sup>nd</sup> manufacturing unit started in 2022. Within our factory unit 1, float glass is simply converted into toughened glass and within our factory unit 2, toughened glass is then converted into other variety of value added toughened glasses

Our company is manufacturing various types of toughened glasses as per the quality standards as prescribed by Bureau of Indian Standard (BIS) for using ISI mark. Our ISO 9001:2015 certification has made our Quality Management System comparable with the best in the world. All our products are sold in within India only. Our products are being used by various segment viz., office buildings, hotels, institutions, banks, insurance companies, shopping malls, diplomatic residences, etc. Our products cater to a range of end use industries including construction, automotive, and industrial sectors, with a variety of applications such as exterior and interior spaces of residential and commercial buildings.

Our company is procuring orders either through direct clients or through our well experienced sales and marketing team who have the experience in glass industry. Our process time for manufacturing value-added glass and processed glass, will depend upon the size, thickness, quantity and quality of glasses selected by our client.

For more information on our Company's business, please refer to chapter titled "**Our Business**" on page 113 of this Red Herring Prospectus.

### **Significant Developments Subsequent to the Last Financial Year ending on September 30, 2024**

After the date of last audited accounts i.e. September 30, 2024, the Directors of our Company confirm that, there have not been any significant material developments which materially and adversely affect or is likely to affect within the next twelve months for the trading or profitability of the Company, the value of its assets or its ability to pay its liability except a stated below:

<b>Purchase Agreement</b>	<b>Name of the Vendor</b>	<b>Owned</b>	<b>Location of the Property</b>	<b>Purchase Cost (in ₹)</b>	<b>Purpose</b>
14-10-2024	Pratham Enterprise	Owned	F-2236, RIICO Industrial Area, Ramchandrapura,	1.80 Crores	For future expansion

Purchase Agreement	Name of the Vendor	Owned	Location of the Property	Purchase Cost (in ₹)	Purpose
			Sitapura (Ext.), Jaipur - 302022, Rajasthan, India		

**Key factors affecting our results of operations:**

The business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and demographic conditions;
- Fluctuations in foreign and Indian currency;
- Depreciation, repairs and maintenance of our equipment;
- Significant developments in India ‘s economic and fiscal policies;
- Our ability to attract and retain its consumers;
- Our ability to expand its existing retail network;
- Our ability to attract and retain projects;
- Changes in laws or regulations if any;
- Governmental policies, in particular with regard to Import regulations etc.

**Our Significant Accounting Policies:**

For Significant accounting policies please refer Significant Accounting Policies, beginning under “Auditors’ Report and Financial Information of our Company” on page 172 of this Red Herring Prospectus.

**Discussion on Results of Operations:**

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the six months period September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and 2022.

**Main Components of our Profit and Loss Account**

**Income** - Our total income comprises of revenue from operations and other income.

**Revenue from Operations**- Our revenue from operation include sale of goods and Insurance on sale of goods.

**Expenditure**- Our total expenditure primarily consists of Cost of Material Consumed, Changes in inventories of finished goods and Stock in trade, employee benefit expenses, Depreciation, finance costs and Other Expenses.

**Employee Benefit Expenses**- Our employee benefits expense comprises of Salaries and direct wages, Director Remuneration & Staff Welfare Expenses.

**Finance costs**- Our Finance cost expenses comprise of Interest Expenses & other related borrowing costs.

**Other Expenses**- Other expenses primarily include Manufacturing Expenses, Transportation Administrative & Selling Expenses, etc.

**Provision for Tax**- The provision for current taxation is computed in accordance with relevant tax regulations. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## Our Results of Operation

The Overall Industrial growth also Impact the profit margins, because we increase the high margin sales and use our production plant accordingly to reduce the production loss time.

### COMPARISON OF FINANCIAL YEARS ENDED SEPTEMBER 30, 2024, MARCH 31, 2024, 2023 AND 2022

(₹ In Lakh)

Particulars	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>INCOME</b>				
Revenue from Operations	2,228.72	3,832.78	3,995.03	3,340.94
Increase/Decrease (%)	NA	(4.06)%	19.58%	54.80%
Other Income	121.01	217.48	65.29	131.05
Increase/Decrease (%)	NA	233.10 %	(50.18) %	(3.23) %
<b>Total Income</b>	<b>2,349.73</b>	<b>4,050.26</b>	<b>4,060.32</b>	<b>3,471.99</b>
Increase/Decrease (%)	NA	(0.25)%	16.95%	51.38%
<b>EXPENDITURE</b>				
<b>Raw material consumed</b>	1,197.50	2,085.84	2,647.74	2,209.55
Increase/Decrease (%)	NA	(21.22)%	19.83%	36.44%
% to Total Income	50.96%	51.50%	65.21%	63.64%
<b>Direct Expenses</b>	196.99	287.33	362.73	359.35
Increase/Decrease (%)	NA	(20.79)%	0.94%	62.88%
% to Total Income	8.38%	7.09%	8.93%	10.35%
<b>Changes in Inventory</b>	(95.46)	(290.15)	97.17	64.11
Increase/Decrease (%)	NA	(398.60)%	51.57%	(151.31)%
% to Total Income	(4.06)%	(7.16)%	2.39%	1.85%
<b>Employee Benefit Expenses</b>	186.69	348.85	350.08	298.45
Increase/Decrease (%)	NA	(0.35)%	17.30%	27.94%
% to Total Income	7.95	8.61%	8.62%	8.60%
<b>Other Expenses</b>	45.50	29.90	62.42	49.62
Increase/Decrease (%)	NA	(52.09)%	25.80%	63.65%
% to Total Income	1.94%	0.74%	1.54%	1.43%
<b>Total Expenditure</b>	<b>1,531.22</b>	<b>2461.77</b>	<b>3,925.99</b>	<b>3,405.01</b>
Increase/Decrease (%)	NA	(37.30)%	15.30%	50.37%
% to Total Income	65.17%	60.78%	96.69%	98.07%
<b>Profit Before Interest, Depreciation and Tax</b>	<b>818.51</b>	<b>1588.49</b>	<b>540.18</b>	<b>490.91</b>
Increase/Decrease (%)	NA	194.07%	10.04%	55.85%
% to Total Income	34.83%	39.22%	13.30%	14.14%
<b>Depreciation and Amortisation Expenses</b>	73.87	156.11	174.02	203.42
Increase/Decrease (%)	NA	(10.29) %	(14.45) %	120.96 %
% to Total Income	3.14%	3.85 %	4.29 %	5.86 %
<b>Profit Before Interest and Tax</b>	<b>744.64</b>	<b>1432.38</b>	<b>366.16</b>	<b>287.49</b>
Increase/Decrease (%)	NA	291.19%	27.36%	28.97%

Particulars	For the year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
% to Total Income	31.69%	35.37%	9.02%	8.28%
<b>Financial Charges</b>	137.25	272.32	231.83	220.51
Increase/Decrease (%)	NA	17.47%	5.13%	13.84%
% to Total Income	5.84%	6.72%	5.71%	6.35%
<b>Profit before Taxation</b>	<b>607.39</b>	<b>1160.06</b>	<b>134.33</b>	<b>66.98</b>
Provision for Current Tax	147.18	292.80	51.25	29.88
Provision for Deferred Tax	6.29	(1.26)	(13.88)	(13.08)
<b>Total Taxes</b>	<b>153.47</b>	<b>291.54</b>	<b>37.37</b>	<b>16.80</b>
<b>Net Profit Transferred to Balance Sheet</b>	<b>453.92</b>	<b>868.52</b>	<b>96.97</b>	<b>50.18</b>
Increase/Decrease (%)	NA	795.66 %	93.24 %	138.05 %
% to Total Income	19.32%	21.44 %	2.39 %	1.24%

There are various factors which impact revenue in this sector and in this context, we are always trying to implement most profitable and best policies in our company and make the production plans more efficient compared with previous years.

Particulars	September 30, 2024	FY 2024	FY 2023	FY 2022
Pat margin	19.32%	21.44%	2.39%	1.24%

#### FY 2023 to FY 2024

Below mentioned is the details and rationale about the increase in PAT Margin for the FY 2024:

**Toughened Glass** - Toughened or tempered glass is a type of safety glass processed by controlled thermal treatments to increase its strength. In this process, glass undergoes a process of controlled thermal treatment to increase its strength.

**Laminated Glass** - Laminated glass is a type of safety that holds together by sandwiching a layer of poly vinyl butyl between pairs of glasses. This glass is constructed by two or more glass panes bonded together with interlayers of polyvinyl butyral (“PVB”) or ionomers between them and then treated and is generally used for safety and security purposes since the PVB layers make the glass layers stick to them so that it does not fall out of the window frame.

**Insulated Glass** - Insulated glass combines two or more glass panes that are spaced apart and sealed with a sealant to appear as a single unit. Double Glazing Unit (DGU) and Insulated Glass Unit are types of insulated glass.

#### Increase in the Profit Margins are due to following reasons:

- Setting up of the Unit II, one of the largest plant in North India for processing jumbo glass having processing capacity to process the glass size of 10 ft by 20 ft which would enhance the aesthetic appeal of the façade of the Infrastructure Project which enable us charge the better pricing for the toughened glass as well as the DGU / IGU glasses
- Focus on the Project based business model
- Vendor advances paid towards the end of FY 2023 yielded a better pricing for the purchases made in the FY 2024 which was advantageous to the Company
- The company was able to offer better pricing to customers as the company started offering credit terms like other players in the market.
- Prompt payment to suppliers and procuring in bulk quantity to supply at each stage of the Project assisting us in supplying regular quantity through out the year on need basis for each project
- Average COGS for the processed glass for FY 2023 is INR 843 per Sq Mtr vis-à-vis INR 750 per Sq Mtr in FY 2024 aggregating to reduction in the average purchase price by ~11-12%
- Average Selling Price for the processed glass for FY 2023 is INR 1,227 per Sq Mtr vis-à-vis INR 1,601 per Sq Mtr in FY 2024 aggregating to increase in the average selling price by ~30-31%
- The Gross Profit improvement from ~ INR 1,250 Lakhs in FY 2023 vis-à-vis ~INR 2,037 Lakhs in FY 2024 aggregating to increase by ~60-62%
- Reduction in the Average COGS per Sq Mtr coupled with the increase in the Average Selling Price due to better utilization of the product mix tilting towards high margin and value added products i.e. DGU and Laminated glass led to the increase



- in gross profit margins
- Other costs more or less remaining the same thereby improving the overall PAT margins

Sr no.	Product	Average Sale Price per unit (₹)	Average Purchase price unit (₹)	Gross profit (₹)	Sales quantity in unit sq mtr	Sale value in crores (₹ in crores)	Gross profit (%) wrt Purchase Price	Gross profit (%) wrt Sales Price	Contribution to overall sales in %	Weighted average gross profit (₹ in lakhs)
<b>FY 23-24</b>										
1	Toughened Glass	1,117.0	583.0	534.0	174,754.0	19.5	91.6%	47.8%	50.9%	933.19
2	DGU	2,650.0	966.0	1,684.0	41,736.0	11.1	174.3%	63.5%	28.9%	702.83
3	Lamination Glass	3,372.0	1,627.0	1,745.0	22,983.0	7.8	107.3%	51.7%	20.2%	401.05
	Total	7,139.0	3,176.0	3,963.0	239,473.0	38.3			100.0%	2037.07
	Average Units	1,600.6	749.9	850.6	79,824.3	38.3				
<b>FY 22-23</b>										
1	Toughened Glass	903.0	721.0	182.0	255,925.0	23.1	25.2%	20.2%	57.8%	465.78
2	DGU	2,168.0	1,066.0	1,102.0	47,924.0	10.4	103.4%	50.8%	26.0%	528.12
3	Lamination Glass	2,950.0	1,778.0	1,172.0	21,864.0	6.5	65.9%	39.7%	16.1%	256.25
	Total	6,021.0	3,565.0	2,456.0	325,713.0	40.0			100.0%	1250.15
	Average Units	1,226.5	842.7	383.8	108,571.0	40.0				

**Conclusion:** Increase in profit aggregating to INR 771.55 lakhs in FY 2024 vis-à-vis FY 2023. The bifurcation for the same is as below:

	Particulars in in FY 2024 vis-à-vis FY 2023	Amount
	Increase in Gross Profit	786.92 lakhs
<b>Add</b>	Decrease in expenses	11.16 lakhs
<b>Add</b>	Decrease in Direct expense	75.40 lakhs
<b>Add</b>	Increase in Other Income	152.19 lakhs
<b>Less</b>	Increase in Tax expenses	(254.17 lakhs)
	<b>Net Increase</b>	<b>771.55 lakhs</b>

The main reason attributable to the increase in PAT margin is due to the fact that the purchases made during this period were substantially less as compared to FY 2023. Most of these purchases were made on immediate/advance payments terms which further helped the company to procure at better prices thereby improving the PAT margins. Further, the company was able to get better pricing from customers as the company started offering favorable credit terms like other players in the market. Moreover, other fixed costs remained more or less the same. In the FY 2024, Company revamped the business strategy to focus on enhanced product mix i.e. glasses with better margins along with focus on prompt payments to suppliers, prompt supply to stage-wise completion of projects. The Company is working on the upgrading demand of laminated glass in bigger projects, timely deliveries and faster recoveries upon project completion. All these factors put together improved the margins. Moreover, during financial year 2023-24 the revenue of the company is ₹ 4050.26 Lakhs, of which maximum turnover was covered with low volume high quality glasses and higher margins as well. During the financial year we started procuring material from suppliers in better and competitive terms compared to the earlier period like we offer to suppliers to supply material with lower credit terms or without any credit and accordingly we got some attractive discounts offer from suppliers of approx. 183.14 Lakhs, which in turn contributed in reducing our costing and increase the profit margins.

#### FY 2022 to FY 2023

Higher PAT margin in FY 2023 as compared to FY 2022 is majorly because of purchases and sales at better pricing. In FY 2023, management introduced capital as well as company has borrowed funds from financial institutions to increase business activity. Therefore, higher volumes led to an increase in economies of scale leading to higher profitability. Further, as small customers offer better margins. In FY 2023 the Company targeted new projects which have offered better margins. Moreover, during FY 2023 the revenue of company Increased by ~17% vis-à-vis FY 2022 because of high demand in the overall industry and also some government policies like antidumping duty, make in India etc, enhance the demand in local market also after COVID19 pandemic the several long terms stopped projects started and resulting the revenue was increased by ₹ 588.33 Lakhs in FY 2023 accordingly the profitability was increased. Also, during the financial year company expand its product line (i.e. Lamination Plant in Unit-II), resulting in the requirement of toughened glasses increased because the lamination plant also required the toughened glass as a raw material which is the finished product of Unit-I. The Glass supplied by Unit-I to Unit-II (Lamination Plant) as a Raw material is supplied as a pure agent and then the overall margins was increased because the lamination glasses are much valuable compare with toughened glass in the market and lamination glasses are only combination of two toughened glasses along with a lamination film there in, so the sale and demand in volume as well as in value increased and profit margins increased accordingly.

### **REVIEW OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

**Revenue from Operations** - Our revenue from operations for the period ended September 30, 2024, was Rs. 2,228.72 Lakhs, which is 94.85% of the total revenue, which includes revenue from sale of goods and insurance on sale of goods.

**Revenue – Other Income** - Our other income for the period ended September 30, 2024, was ₹ 121.01 Lakhs which is 5.15% of the total revenue, which includes interest on FDR & others, Freight charges received, Other operating income and subsidy receivable.

**Total Expenses** - The total expenses consist of various sub-headings that include cost of goods sold, direct expenses, changes in inventory, employee benefits expense, and other expenses. The Expenditure is ₹ 1,531.22 lakhs.

**Cost of Goods Sold** - During period ended September 30, 2024, the Cost of Goods Sold consists majorly of Glass, Silicon, and various glass films etc. of ₹ 1,102.04 lakhs.

**Employee Benefit Expenses** - Expenses incurred on staff and executives and their welfare during the period ended September 30, 2024 were ₹ 186.69 lakhs.

**Finance and interest cost** - The finance and interest cost incurred during the period ended September 30, 2024 as ₹ 137.25 lakhs. It consists of bank charges and interest on borrowings.

**Depreciation and amortization expense** - During period ended September 30, 2024, depreciation and amortization expense of the Company came at ₹ 73.87 lakhs. There was addition of ₹ 772.59 lakhs in PPE.

**Other Expenses** – Other expenses for period ended September 30, 2024 were ₹ 45.50 lakhs. It includes provision for gratuity, Legal & Professional fees as major expenses.

**Profit/ (Loss) After Tax** - The PAT for the period ended September 30, 2024 was ₹ 453.92 lakhs with margin of 19.32%

### **COMPARISON OF FY 2024 WITH FY 2023**

**Revenue from Operations** - During the FY 2024, the revenue from operations was ₹ 3832.78 lakhs as compared to ₹ 3,995.03 lakhs in FY 2023. The decrease is due to shift of some operational revenue to other income and also shift in focus of company to procure high margin order of glass in various building structures and increased focus on real estate sector.

**Revenue – Other Income** - During FY 2024, the other income was ₹ 217.48 lakhs as compared to ₹ 65.29 lakhs in FY 2023. The other income has increased 233.10% of the previous year's income due to increase in other operational revenue as compared to previous year as a result of reclassification from revenue from operations to other income.

**Total Expenses** - The total expenses consist of various sub-headings that include cost of goods sold, employee benefits expense, and other expenses. The Expenditure is ₹ 2,890.20 lakhs. It has decreased by 26.38% due to an improved efficiency in production and better rates of goods for the year.

**Cost of Goods Sold** - During FY 2024, the Cost of Goods Sold consists majorly of Glass, Silicon, and various glass films etc.

**Employee Benefit Expenses** - Expenses incurred on staff and executives and their welfare during the FY 2024 were ₹ 348.85 lakhs as compared to ₹ 350.08 lakhs in FY 2023. This reduction has been due to the decrease in the staff welfare expenses by ₹ 11.90 lakhs.

**Finance and interest cost** - The finance and interest cost incurred during the FY 2024 was ₹ 272.32 lakhs as compared to ₹ 231.83 lakhs FY 2023. This indicates increase of 17.47% compared to that with previous year. The increase is mainly attributable to the increase in rate of interest and a minor increase in short term borrowings of the company.

**Depreciation and amortization expense** - During FY 2024, depreciation and amortization expense of the Company has reduced compared to previous year due to reduction in WDV of PPE.

**Other Expenses** – Other expenses for FY 2024 have decreased from ₹ 62.41 lakhs to ₹ 29.90 lakhs from the previous year. This has happened due to increase in legal & professional fees and ROC fees in previous year incurred for the future growth of company.

**Profit/ (Loss) After Tax** - The PAT for FY 2024 has increased from 96.97 lakhs to 868.52 lakhs from the previous year. This is due to better margins on product sales, and improved business opportunities in real estate projects through which the company has shown overall growth.

#### **COMPARISON OF FY 2023 WITH FY 2022**

**Revenue from Operations** - During the FY 2023, the total revenue from operations was ₹ 3,995.03 lakhs as compared to ₹ 3,340.94 lakhs in FY 2022. The increase is due to the growth in demand for glass in various building structures and increase in real estate sector.

**Revenue – Other Income** - During FY 2023, the other income revenue was 65.29 lakhs. The other income has decreased 50.18% of the previous year's income of ₹ 131.05 lakhs. The decrease in Other income can be attributed to decrease in discount & rate differences of ₹ 67.65 lakhs.

**Total Expenses** - The total expenses consist of various sub-headings that include cost of goods sold, employee benefits expense, and other expenses. The expenditure for FY 2023 was 3925.99 lakhs as compared to ₹ 3,405.01 lakhs. It has increased by 15.30% due to an increase in sales and purchases for the year.

**Cost of Goods Sold** - During the FY 2023, the cost of goods sold of consists majorly of glass, silicon, and various glass films etc.

**Employee Benefit Expenses** - Expenses incurred on staff and executives and their welfare during the FY 2023 were ₹ 350.08 lakhs as Compared to ₹ 298.45 lakhs of the previous year. This has been due to the annual appraisal of wages and salaries along with increase in staff welfare expenses.

**Finance and Interest cost** - The Finance and Interest Cost incurred during the FY 2023 was ₹ 231.83 lakhs as compared to ₹ 220.51 lakhs for FY 2022 which resulted in a small increase of 5.13% compared with previous year as a result of increase in interest on borrowing cost.

**Depreciation and amortization expense** - During FY 2023, depreciation and amortization expense of the company has reduced when comparing the same with previous year due to reduced WDV during previous year.

**Other Expenses** – Other Expenses for FY 2023 have increased from 49.62 lakhs to 62.41 lakhs from the previous year. This has happened due to the increase in Legal & Professional fees and ROC Fees in current year incurred for the future growth of company.

**Profit/ (Loss) After Tax** - The PAT for Financial Year 2022-23 has increased from 50.18 lakhs to 96.97 lakhs from the previous year. This is due to better margins on product sales, and improved business opportunities in real estate projects through which the company has shown overall growth.

#### **Cash Flow Details**

The table below summaries our cash flows from our Restated Audited Financial Information for the six months period ended and financial year ended March 31, 2024, 2023 and 2022:

(₹ in Lakhs)

Particulars	For the period ended September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Net cash generated from / (used in) operating activities	410.77	550.41	348.10	(82.68)
Net cash generated from / (used in) Investing Activities	(411.94)	(512.57)	(181.07)	(66.36)
Net cash generated from / (used in) from financing activities	4.72	(203.89)	21.06	118.06

### Cash Flows from Operating Activities

Net cash from operating activities for year ended on September 30, 2024 was at ₹ 410.77 lakhs as compared to the Profit After Tax at ₹ 453.92 lakhs. The difference in net operating cashflows was mainly due to increase in Operating Assets and Operating liabilities along with better profitability in September 30, 2024 which resulted in positive operating cash flow.

Net cash from operating activities for year ended on March 31, 2024 was at ₹ 550.41 lakhs as compared to the Profit After Tax at ₹ 868.52 lakhs, while Net cash from operating activities for period ended on March 31, 2023 was at ₹ 348.10 lakhs as compared to Profit After Tax at ₹ 96.97 lakhs. The difference in net operating cashflows was mainly due to increase in Operating Assets and Operating liabilities along with better profitability in FY 2024 which resulted in positive operating cash flow.

Net cash from operating activities for year ended on March 31, 2023 was at ₹ 348.10 lakhs as compared to the Profit After Tax at ₹ 96.97 lakhs, while Net cash from operating activities for period ended on March 31, 2022 was at ₹ (82.68) lakhs as compared to Profit After Tax at ₹ 50.18 lakhs. The difference in net operating cashflows was mainly due to decrease in trade payables in FY 2023 which resulted in higher cash outflow.

### Cash Flows from Investment Activities

The net cash invested in Investing Activities was ₹ (411.94) lakhs, ₹ (512.57) lakhs, ₹ (181.07) lakhs and ₹ (66.36) lakhs for period ended September 30, 2024 and financial years ended FY 2024, 2023 and 2022 respectively on account of purchase of PPE.

### Cash Flows from Financing Activities

For period ended September 30, 2024, the net cash generated from financing activities was ₹ 4.72 lakhs. This was on account of additional loan of ₹ 130.88 lakhs. For FY 2024, the net cash from financing activities was ₹ (203.89) lakhs. this was on account of proceeds from addition in long term borrowings and increase in payment of finance costs. For the FY 2023, the net cash from financing activities was ₹ 21.06 lakhs on account of addition in long term borrowings as compared to finance cost paid and for FY 2022, the net cash from financing activities was ₹ 118.06 lakhs on account of increase in long term borrowings as compared finance cost paid.

### Information required as per Item (II) (C) (i) of Part A of Schedule VI to the SEBI Regulations:

#### 1. Unusual or infrequent events or transactions.

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

#### 2. Significant economic changes that materially affected or are likely to affect income from continuing Operations.

Other than as described in the section titled “Risk Factors” beginning on page 28 of this Red Herring Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Income and Sales on account of major product/main activities.**

Income and sales of our Company on account of sale of toughen glass and insurance on sales.

**4. Seasonality of Business**

Our Company is engaged in the business of Sale of Toughen Glass and business of our company is not seasonal in nature

**5. Whether the company has followed any unorthodox procedure for recording sales and revenues.**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**6. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.**

Other than as described in the section titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus, in our opinion there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**7. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of raw material.

**8. 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.

**9. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is in the business of Manufacturing & Supplier of sale of toughen glass. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 106 of this Red Herring Prospectus.

**10. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and business segment publicly.

**11. Any significant dependence on a single or few suppliers or customers.**

As on September 30, 2024	Suppliers’ contribution	Customers’ contribution
Top 5	93.70 %	29.66 %
Top 10	99.33%	40.46 %

As on March 31, 2024	Suppliers’ contribution	Customers’ contribution
Top 5	97.25 %	26.29 %
Top 10	99.96 %	34.31 %

As on March 31, 2023	Suppliers’ contribution	Customers’ contribution
Top 5	96.49 %	26.55 %
Top 10	99.87 %	36.84 %

<b>As on March 31, 2022</b>	<b>Suppliers' contribution</b>	<b>Customers' contribution</b>
Top 5	91.30 %	29.13 %
Top 10	98.46 %	40.43 %

**12. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “**Industry Overview**” and “**Our Business**” beginning on pages 106 and 113, respectively of this Red Herring Prospectus.

### **CAPITALISATION STATEMENT**

The following table sets forth our capitalisation derived from our Restated Financial Statements for the six month period ended September 30, 2024, and as adjusted for the Issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” on pages 178, 172 and 28, respectively.

(in ₹ lakhs)

Particulars	Pre Issue as at September 30, 2024	Post Issue
<b>Debt</b>		
A. Long Term Debt	1,317.68	[●]
B. Short Term Debt	1,737.71	[●]
<b>Total Debt</b>	<b>3,055.39</b>	<b>[●]</b>
<b>Equity Shareholders Fund</b>		
Equity Share Capital	1,187.50	[●]
Reserves and Surplus	912.09	[●]
<b>Total Equity</b>	<b>2,099.59</b>	<b>[●]</b>
<b>Long term Debt / Equity Ratio</b>	<b>0.63</b>	<b>[●]</b>
<b>Total Debt / Equity Ratio</b>	<b>1.46</b>	<b>[●]</b>

**Notes:**

1. As per Restated Financial Statements of the Company.
2. The corresponding post capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of Book building process and hence the same have not been provided in the above statement.

**SECTION VII – LEGAL AND OTHER INFORMATION**  
**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoter in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoters and Group Companies (“**Related Parties**”).

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated November 20, 2023, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Red Herring Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company or our Subsidiary in any such pending litigation (individually or in aggregate), is equivalent to or above 5% of the restated profit after tax of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ~₹ 44 lakhs);
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoter of our Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and
- c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Our Board of Directors considers dues owed by our Company to the small-scale undertakings and other creditors exceeding 5% of the restated trade payables, as per the latest completed period of the Restated Financial Statements (amounting to ~₹ 9 lakhs), as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on November 20, 2023. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation are for that particular litigation only.

**1. LITIGATION INVOLVING OUR COMPANY**

**i. Litigation against our Company**

1. Criminal Proceedings

Nil

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lacs)		
Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	1	18.90
Central Excise	Nil	Nil
Customs	Nil	Nil



Particulars	Number of cases	Amount involved*
Service Tax	Nil	Nil
<b>Total</b>	Nil	Nil
<i>Direct Tax</i>		
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
<b>Total</b>	<b>1</b>	<b>18.90</b>

\*To the extent quantifiable

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

**ii. Litigation by our Company**

1. *Criminal Proceedings*

- A complaint letter was filed by our Company (the “**Complainant**”) against Arun Singh Rathore Prop. Durga Traders and Fabricators (the “**Accused**”) before the Hon’ble Court of Special Metropolitan Magistrate, Sanganer, Jaipur under Section 138 of the Negotiable Instrument Act, 1881 for dishonour of cheques bearing no. 000735 dated August 23, 2023 issued by the Accused to our Company for making payment towards the goods supplied by our Company amounting to ₹ 3.31 lakhs. The matter is currently pending.
- A complaint letter was filed by our Company (the “**Complainant**”) against M/s. Global Construction & Interior Work, and others (the “**Accused**”) before the Hon’ble Court of Special Metropolitan Magistrate at Sanganer, Jaipur under Section 138 of the Negotiable Instrument Act, 1881 for dishonour of cheque bearing no. 515501 dated August 14, 2018 issued by the Accused to our Company for making payment towards the goods supplied by our Company amounting to ₹ 0.50 lakhs. The matter is currently pending.
- A complaint letter was filed by our Company (the “**Complainant**”) against Virendra Shekhawat (the “**Accused**”) before the Hon’ble Court of Additional Metropolitan Magistrate at Sanganer, Jaipur under Section 138 of the Negotiable Instrument Act, 1881 for dishonour of cheque bearing no. 000927 dated October 16, 2020 issued by the Accused to our Company for making payment towards the goods supplied by our Company amounting to ₹1.08 lakhs. The matter is currently pending.

2. *Civil and other Material Litigations*

Nil

**2. LITIGATION INVOLVING OUR PROMOTER**

*Cases filed against our Promoter*

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Promoter, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Promoter	Nil	Nil
Cases filed by our Promoter	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*To the extent quantifiable

#### 4. Other Material Litigations

Nil

##### Cases filed by our Promoter

#### 1. Criminal Proceedings

Nil

#### 2. Other Material Litigations

Nil

##### Disciplinary action against our Promoter by SEBI or any stock exchange in the last five Fiscals

As on date of this Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoter in the last five Fiscals including any outstanding action.

### 3. LITIGATION INVOLVING OUR DIRECTORS

##### Cases filed against our Directors

#### 1. Criminal Proceedings

Nil

#### 2. Actions taken by Statutory/Regulatory Authorities

Nil

#### 3. Tax Proceedings

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Directors	Nil	Nil
Cases filed by our Directors	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

**Cases filed by our Directors**

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

**4. LITIGATION INVOLVING OUR SUBSIDIARY**

As on date of this Red Herring Prospectus, our Company does not have any subsidiaries.

**5. LITIGATION INVOLVING OUR GROUP COMPANY**

**Cases filed against our Group Companies**

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Group Companies, specifying the number of cases pending and the total amount involved:

<i>(₹ in lacs)</i>		
<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Direct Tax</b>		
Cases filed against our Group Companies	Nil	Nil
Cases filed by our Group Companies	Nil	Nil
<b>Total</b>	Nil	Nil

*\*To the extent quantifiable*

1. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

**Cases filed by our Group Companies**

**1. Criminal Proceedings**

Nil

**2. Other Material Litigations**

Nil

**6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy dated November 20, 2023, our Company has 48 material creditor, as on date of this Red Herring Prospectus.

Details of amounts outstanding to creditors is as follows:

(₹ in lacs)

Particulars	No. of Creditors	Amount (in lakhs)
<b>Outstanding dues to material creditors</b>	<b>5</b>	<b>216.87</b>
Outstanding dues to micro, small and medium enterprise	NIL	NIL
Outstanding dues to other creditor	5	216.87
<b>Outstanding dues to other than material creditors</b>	<b>61</b>	<b>52.67</b>
Outstanding dues to micro, small and medium enterprise	55	23.98
Outstanding dues to other creditor	6	28.69
<b>Total Outstanding Dues</b>	<b>66</b>	<b>269.54</b>

Complete details of outstanding dues to our creditors as on September 30, 2024 are available at the website of our Company, [www.agarwaltuff.com](http://www.agarwaltuff.com). Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.agarwaltuff.com](http://www.agarwaltuff.com), would be doing so at their own risk. For further details, refer to the section titled "Financial Information" on page 172 of this Red Herring Prospectus.

**7. MATERIAL DEVELOPMENT SINCE SEPTEMBER 30, 2024**

There have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled "Management's Discussion and Analysis of Financial Position and Results of Operations" on page 178 of this Red Herring Prospectus.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter “Key Industrial Regulations and Policies” on page 142 of this Red Herring Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects of our Company enable our Company to carry out its respective activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:*

### **A. Licenses and Approvals of our Company**

#### **I. Issue related Approvals**

For the approvals and authorizations obtained by our Company in relation to the Issue, see “Other Regulatory and Statutory Disclosures – Authority for the Issue” on page 197 of this Red Herring Prospectus.

#### **II. Approvals from the Stock Exchanges**

- a) Our Company has received an in-principle approval from Emerge Platform of the National Stock Exchange of India Limited dated October 30, 2024 for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INEOP8X01016.

#### **III. General Approvals**

- a) Certificate of Incorporation dated October 30, 2009 issued under the Companies Act, 1956 by the Registrar of Companies, Rajasthan.
- b) Fresh certificate of Incorporation March 6, 2023 dated issued under the Companies Act, 2013 by the Registrar of Companies, Rajasthan at Jaipur consequent to conversion of our Company into a public limited company.
- c) Letter dated May 24, 2016, issued by the Regional Office of the Employees’ State Insurance Corporation under the Employee State Insurance Act, 1948 for allotting code number 15000506500001099 to our Company.
- d) Letter dated August May 26, 2018, issued by the Employees’ Provident Fund Organization under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 for allotting code number RJRAJ1473498000 to our Company.
- e) Udyam Aadhaar registration certificate dated September 25, 2020 issued by the Ministry of micro, Small and Medium Enterprises, Government of India for allotting the udyam registration number UDYAM-RJ-17-0015955 to our Company.
- f) Certificate of Importer- Exporter Code issued on November 19, 2015 by the Department of Commerce, Ministry of Commerce and Industry, Government of India for the purpose of allotting the code number 1315012936 to our Company.
- g) Certificate issued by LEI Register India Private Limited for the purpose of allotting Legal entity identifier code number 98450062C9CFBD1F1C11 to our Company.

#### **IV. Tax Related Approvals**

- a) Our Company’s Permanent Account Number issued by the Income Tax Department is AAICA1320Q.
- b) Our Company’s Tax Deduction and Collection Number dated March 29, 2023 issued by the Income Tax Department is JPRA08116D.

- c) Registration certificate dated October 29, 2021 issued by the Government of India under the Central Goods and Services Tax Act, 2017 for allotting registration number 08AAICA1320Q1ZK to our Company.

#### V. Business Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below:

1. The following is the list of the business related approvals which have been availed for our manufacturing unit situated at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302 022, Rajasthan, India:

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	License to work a factory issued under Factories Act, 1948.	Chief Inspector of Factories and Boilers Rajasthan, Jaipur	RJ/31661	January 30, 2024	March 31, 2025
2.	Consent to Operate under section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21(4) of Air (Prevention & Control of Pollution) Act, 1981	Regional Office Jaipur (S), Rajasthan State Pollution Control Board	<b>File No:</b> F(Tech)/Jaipur(Sanganer)/1937(1)/2014-2015/1002-1003 <b>Order No:</b> 2016-2017/Jaipur (5)/5840	May 31, 2016	April 30, 2026
3.	Consent to Establish under section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21(4) of Air (Prevention & Control of Pollution) Act, 1981	Regional Office Jaipur (S), Rajasthan State Pollution Control Board	<b>Unit Id:</b> 56789 <b>File No:</b> F(Tech)/Jaipur(Sanganer)/1937(1)/2014-2015/287-288 <b>Order No:</b> 2016-2017/Jaipur (S)/5595	December 28, 2015	-
4.	Certification Marks Licence to use the Standard Mark under 2553 (Part 1):1990	Bureau of Indian Standards, Jaipur	CM/L-8400128207/359	October 5, 2018	October 4, 2025
5.	Business Registration Number	Department of Planning Directorate of Economics & Statistics Rajasthan, Jaipur	0800740000000031	December 21, 2017	Perpetual
6.	Consent for creation of Equitable Mortgage of Lease Deed	Rajasthan State Industrial Development & Investment Corporation Limited	U(25)-3/ 2024-25/951	June 27, 2024	-



2. The following is the list of the business related approvals which have been availed for our manufacturing unit situated at F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302 022, Rajasthan, India:

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	Consent to Operate under Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974	Regional Office Jaipur (S), Rajasthan State Pollution Control Board	<b>File No:</b> F(Tech)/JAIPUR(Sanganer)/7099(1)/2022-2023/1429-1430 <b>Order No:</b> 2022-2023/Jaipur (S)/11299	March 9, 2022	February 29, 2032

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
2.	Consent to Establish under section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21(4) of Air (Prevention & Control of Pollution) Act, 1981	Regional Office Jaipur (S), Rajasthan State Pollution Control Board	<b>Unit Id:</b> 118442 <b>File No:</b> F(Tech)/JAIPUR(Sanganer)/7 099(1)/2022-2023/139-140 <b>Order No:</b> 2022-2023/Jaipur (S)/10821	March 9, 2022	February 28, 2027
3.	License to work a factory issued under Factories Act, 1948.	Chief Inspector of Factories and Boilers Rajasthan, Jaipur	RJ/33630	October 29, 2020	March 31, 2025
4.	Business Registration Number	Department of Planning Directorate of Economics & Statistics Rajasthan, Jaipur	080154000000068	August 27, 2020	Perpetual
5.	Consent for creation of Equitable Mortgage of Lease Deed	Rajasthan State Industrial Development & Investment Corporation Limited	U(25)-3/ 2024-25/928	June 26, 2024	-

#### VI. Intellectual Property Related Approvals

Our Company has registered the following trademarks under the Trade Marks Act, 1999:

Particulars of Trademark	Registration No.	Class	Date of Registration	Validity
	3969206	19	October 10, 2018	October 10, 2028
	3165627*	19	January 21, 2016	January 21, 2026

\*Agarwal Float Glass India Limited, a member of our group company, has received non-objections certificate from Our Company to use our logo in their communications and other uses vide non-objections certificate dated April 04, 2018.

#### VII. Licenses/ Approvals for which applications have been made by our Company and are pending:

Nil

#### VIII. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.

Nil

#### IX. Licenses / Approvals which are required but not yet applied for by our Company:

Our Company is yet to apply for change of our name on its licenses and approvals pursuant to its conversion from a private limited company into a public limited company.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Board of Directors has, pursuant to a resolution passed at its meeting held on June 22, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on June 25, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated October 30, 2024 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### **PROHIBITION BY SECURITIES MARKET REGULATORS**

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### **CONFIRMATIONS**

1. Our Company, our Promoters, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### **PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) 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 shall be upto ₹ 1837.50 lakhs can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder:

**1. *The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 1956.

**2. *The post issue paid up capital of the company shall not be more than ₹ 25.00 Crore.***

The present paid-up capital of our Company is ₹ 1,187.50 lakhs and we are proposing issue upto 57,99,600 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share,



aggregating up to ₹ [●] lakhs. Hence, our Post Issue Paid up Capital will be upto ₹ 1,767.46 lakhs. Accordingly, our Company has fulfilled the criteria of post issue paid up capital prescribed under Regulation 229(2) of the SEBI ICDR Regulations.

### 3. Track Record

#### A. *The company should have a track record of at least 3 years.*

Our Company was incorporated on October 30, 2009 as 'Agarwal Toughened Glass India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 30, 2009 issued by the Registrar of Companies, Rajasthan. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on January 2, 2023, and by the Shareholders in an Extraordinary General Meeting held on January 30, 2023 and consequently the name of our Company was changed to 'Agarwal Toughened Glass India Limited' and a fresh certificate of incorporation dated March 6, 2023 was issued by the Registrar of Companies, Rajasthan at Jaipur.

#### B. *The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.*

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Operating profit (earnings before interest, depreciation and tax and other income) from operations	697.50	1,371.01	474.90	359.86
Net Worth as per Restated Financial Statement	2,084.72	1,630.80	762.28	665.31

#### 4. Other Requirements

We confirm that:

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
  - There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
  - No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
  - We ensure that none of the Merchant Bankers involved in the IPO should have instances of any of their IPO draft issue document filed with the Exchange being returned in the past 6 months from the date of application.
5. The Company has a website: [www.agarwaltuff.com](http://www.agarwaltuff.com)

#### 6. Disclosures

We 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 Promoters/promoting company(ies), companies promoted by the Promoters/promoting companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting company(ies), companies promoted by the Promoters/promoting Company(ies) during the past three years.
- There are no litigations record against the applicant, Promoters/promoting company(ies), companies & promoted by the Promoters/promoting company(ies).
- There are no criminal cases/investigation/offences filed against the director of the Company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled "**General Information**" beginning on page 57 of this Red Herring Prospectus.

2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page 57 of this Red Herring Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. 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.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of the Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus.

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.

#### **SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER 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 MANAGER, CUMULATIVE CAPITAL PRIVATE LIMITED SHALL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 26, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, RAJASTHAN AT JAIPUR, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/4196 dated October 30, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant,**

**certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.**

**Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."**

#### **DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.agarwaltuff.com](http://www.agarwaltuff.com), or the websites of the members of our Promoters Group, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issuer Agreement entered between the BRLM Cumulative Capital Private Limited and our Company on July 10, 2024, and the Underwriting Agreement dated November 15, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated November 15, 2024 entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters Group, Group Entity, 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 Promoters Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Rajasthan only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and 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 Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (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 Regulation S 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 Regulation S 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 OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus was not filed with SEBI, nor did 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, a copy of this Red Herring Prospectus shall be furnished to the Board. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Draft Red Herring Prospectus, was filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of this Red Herring Prospectus, along with the material contracts, documents and the Prospectus is also being filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

#### **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated October 30, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within three Working Days from the Issue Closing Date.

#### **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 for action under section 447.”

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.

#### **CONSENTS**

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker, Banker to the Issue, Syndicate Member and Underwriter to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of this Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the ROC.

Our Company has received written consent dated November 12, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in Red Herring Prospectus and 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 Statutory Auditor and in respect of its (i) examination report dated November 11, 2024 on our restated financial information; and (ii) its report dated November 12, 2024 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

#### **EXPERT OPINION**

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages 103 and 172, respectively of this Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name in this Red Herring Prospectus and Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus. Our Company does not have any subsidiary or associates or listed group company, as of the date of this Red Herring Prospectus.

### PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM

Cumulative Capital Private Limited

For details regarding the track record of the BRLM, as specified in Circular reference

Sr. No.	Issuer Company Name	Issue Size (₹ in Lakhs)	Issue price	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change inclosing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change inclosing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
<b>SME- IPOs</b>								
1.	Pelatro Limited	5,598.00	200.00	September 24, 2024	275.00	3.62%; [-5.80%]	NA	NA
<b>Main Board IPOs</b>								
Nil								

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website [www.cumulativecapital.group](http://www.cumulativecapital.group)

#### Notes:

- Source: www.nseindia.com for the price information
- Nifty 50 index is considered as the benchmark index.

### Summary statement of price information of past public issues handled by Cumulative Capital Private Limited

Financial Year	Total no. of IPOs*	Total Funds Raised (₹ In lakhs)	Nos. of IPOs trading at discount- 30th calendar days from listing			Nos. of IPOs trading at premium- 30th calendar days from listing			Nos. of IPOs trading at discount- 180th calendar days from listing			Nos. of IPOs trading at premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
FY 2024-25	1	5,598.00	-	-	-	-	-	1	-	-	-	-	-	-

### Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website [www.cumulativecapital.group](http://www.cumulativecapital.group)

### PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

### PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on the date of this Red Herring Prospectus, our Company does not have any subsidiaries. Further, we do not have a corporate promoter.

### STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Shalini Sharma	Non-Executive Independent Director	Chairperson
Nitin Ghanshyam Hotchandani	Non-Executive Independent Director	Member
Ravi Torani	Non-Executive Independent Director	Member

Our Company has appointed Neha Jadoun, the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

F-2264, RIICO Industrial Area,

Ramchandrapura, Sitapur (Ext.),  
Jaipur - 302 022, Rajasthan, India.  
**Telephone:** +91 723 004 3212  
**Facsimile:** N.A.  
**E-mail:** cs\_complianceofficer@agarwaltuff.com

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Company or of our Promoters as on date of filing of this Red Herring Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this 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 INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of upto 57,99,600 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 22, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on June 25, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our 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 right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled ***“Description of Equity Shares and terms of the Articles of Association”*** beginning on Page 248 of this Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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 chapter titled ***“Dividend Policy”*** beginning on Page 171 of this Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price 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 Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper a Hindi national newspaper and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company 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 Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled ***“Basis for Issue Price”*** beginning on page 95 of this 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 shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

## **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.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 28, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 17, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited 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 subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

## **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 69 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 248 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. 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 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 BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the 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) 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 Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this 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 this Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
<b>Bid/Issue Opening Date*</b>	Thursday, November 28, 2024
<b>Bid/Issue Closing Date**^</b>	Monday, December 02, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Tuesday, December 03, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Tuesday, December 03, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Wednesday, December 04, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Thursday, December 05, 2024

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

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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, 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/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

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 Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days).

Any circulars or notifications from the SEBI after the date of this Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, 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

#### Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

#### Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

#### On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any 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/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, 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 terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of this Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 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 Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) 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

Parameter	Migration policy from NSE EMERGE Platform to NSE Main Board
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> <li>The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</li> <li>The company has not received any winding up petition admitted by a NCLT.</li> <li>The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.</li> <li>Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>Redressal mechanism of Investor grievance</li> <li>PAN and DIN no. of Director(s) of the Company</li> <li>Change in Control of a Company/Utilization of funds raised from public</li> </ul>

### Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited 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 Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 57 of this Red Herring Prospectus.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

### Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 69 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to

them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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.

#### **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 Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital will be upto ₹ 1837.50 lakhs, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on pages 206 and 217 respectively of this Red Herring Prospectus.

This public issue comprises of upto 57,99,600 equity shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating up to ₹ [●] lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute 32.81% and 31.13% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to 2,97,600 Equity shares	Not more than 27,50,400 Equity Shares.	Not less than 8,25,600 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than Equity Shares 19,26,000 available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue size available for allocation	5.13% 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 Issue less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation.



Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Basis of Allotment(3)	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to 54,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and Up to 27,50,400 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to 60% of the QIB Portion (of up to 16,50,000 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.	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "Issue Procedure" on page 217 of the Red Herring Prospectus.	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see "Issue Procedure" on page 217 of the Red Herring Prospectus.
Mode of Bid	Only through the ASBA Process	Only through the ASBA Process	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	2,97,600 Equity Shares in multiple of [●] Equity shares	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	[●] Equity Shares of Face Value of ₹ 10.00 each
Maximum Bid Size	2,97,600 Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs
Trading Lot	[●] 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
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of			

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
	submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)

- (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 upto 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 Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “*Issue Procedure*” beginning on page 217 of this Red Herring Prospectus.

#### Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in all editions of Financial Express (a widely circulated English national daily newspaper a Hindi editions of Jansatta (a widely circulated Hindi national daily newspaper and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated), each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh 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 approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus with RoC.

#### JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Rajasthan.

#### BID/ ISSUE PROGRAMME:

Events	Indicative Dates
Bid/Issue Opening Date*	Thursday, November 28, 2024

<b>Bid/Issue Closing Date<sup>***^</sup></b>	Monday, December 02, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Tuesday, December 03, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Tuesday, December 03, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Wednesday, December 04, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Thursday, December 05, 2024

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

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

*^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.*

*#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, 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/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days).

## **ISSUE PROCEDURE**

All Bidders shall review 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, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, 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 SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Bidders; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) 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, had 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 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 no. 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 was discontinued and only the UPI Mechanism for such Bids with 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”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, 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 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Red Herring Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. 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 size are up to ₹5 lakhs shall use the UPI Mechanism. 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). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Red Herring Prospectus.

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.*

#### **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 Net 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 Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% 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.

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 Issue, subject to applicable laws.**

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of this 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 Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). 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.

#### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure

to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

- c) Phase III/T+3: 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 T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release 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.

Pursuant to the UPI Circular, 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 Circular 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 not 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 penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual 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.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White

Category	Colour of Application Form*
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

**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 this 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</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

**other than SCSBs with use of UPI for payment:**

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 this 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/ Issue 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 issue) 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 issue. 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.

#### **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;



- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 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 from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the 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 Financial Express (a widely circulated English national daily newspaper) Hindi editions of a Jansatta (a widely circulated Hindi national daily newspaper) and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of Financial Express (widely circulated English national daily newspaper) Hindi editions of a Jansatta (a widely circulated Hindi national daily newspaper) and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated) each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) 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.
- c) 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 Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) 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.
- e) 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.
- f) 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.
- 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 Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the 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.

### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in all editions Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national newspaper and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file this 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 Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain 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 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 or non-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 or non-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 Issue, 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. For details of investment by NRIs, see **“Restrictions on Foreign Ownership of Indian Securities”** beginning on page 246. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

### **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-Issue 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 226inlize 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 226inlize 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.

#### **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. 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 1/3<sup>rd</sup> 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 Issue) 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 Issue, 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 Regulations and Policies*” beginning on page 142.

#### **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 ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue 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 undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection 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 ₹ 2,500lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 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 ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “Agarwal Toughened Glass India Ltd - Anchor R Account”
- b) In case of Non-Resident Anchor Investors: — “Agarwal Toughened Glass India Ltd – Anchor NR Account”
- 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 Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>S. No.</b>	<b>Details*</b>
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category

S. No.	Details*
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/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final

certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the 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 Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the 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 Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**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.**

***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 initiate 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/ Issue 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 [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 colour 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 authorised 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 Issue;
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 the 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/Issue 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 UPI ID 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/Issue 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-Issue or post-Issue 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 57 and 153, 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 57.

#### **GROUNDS FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;

4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” beginning on page 57.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, 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/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, 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/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days); ‘T’ being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalized 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 finalized 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 BID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

**BASIS OF ALLOCATION**



- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the 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 and 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 Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Retail Individual 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.**

### **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 19,26,000 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 19,26,000 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 8,25,600 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 8,25,600 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)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - 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 5% of the Net QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the Net QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the Net 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, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below 5% of the Net 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 54,000 Equity Shares.
- iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited Emerge (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 National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. 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.

**Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

**Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5<sup>th</sup> application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures 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 Issue Account to Public Issue 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 Issue Account with the Bankers to the Issue.**

**The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.**

#### **Instructions for Completing the Bid Cum Application Form**

**The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.**

**SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. 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 Issue.**

**By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.**

#### **Submission of Bid Cum Application Form**

**All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.**

#### **Communications**

**All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.**

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

**The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 1 (One) 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 Issue Closing Date.**

**In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:**

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 1(One) 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.

**SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.**

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. 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 over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants 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).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] equity shares; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl 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 (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters 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 National Stock Exchange of India Limited – 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.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **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 March 28, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on March 17, 2023.
- c) The Company's Equity shares bear an ISIN No. INE0P8X01016.

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-ISSUE 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-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of Financial Express (a widely circulated English national daily newspaper) Hindi editions of Jansatta (a widely circulated Hindi national newspaper) and all Hindi editions of Nafa Nuksan, a Hindi language newspaper (Hindi, being the regional language of Rajasthan, where our Registered Office is situated) each with wide circulation).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue 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 have entered into an Underwriting Agreement dated November 15, 2024.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus has been filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

## **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:*

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- III. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and to consider them similar to non-ASBA applications while finalizing the basis of allotment;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the 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 days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and

thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the 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; and details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.



## **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 Foreign Exchange Management Act, 1999 (“**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 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 government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

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 of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect,

regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

***i. Investment by FPIs under Portfolio Investment Scheme (PIS):***

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

***ii. Investment by NRI or OCI on repatriation basis:***

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

***iii. 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.

## **SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*There are no material clause of Article of Association have been left out from disclosure having bearing on the Issue.*

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

Subject as hereinafter provided, the regulations contained in Table ‘F’ in the Schedule I to the Companies Act, 2013 shall apply to the Company as so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations. In case of any conflict between the express provisions herein contained and the incorporated Regulations of ‘Table F’, the provisions herein shall prevail.

### 1. Table F not to apply

The regulations contained in Table F, in the first Schedule, to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013 be such as are contained in these Articles.

### 2. Interpretation

In the interpretation of these Articles, the following words and expressions shall have the following meanings assigned there under, unless repugnant to the subject matter or content thereof.

g) “The Act” or “the said Act”

“The Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

h) “These Articles”

“These Articles” means Articles of Association for the time being of the Company or the Articles of

\*New set of Articles of Association adopted, vide resolution passed in Extra Ordinary General Meeting of members of the company held on 30<sup>th</sup> October, 2023.

Association as altered from time to time by special resolution.

i) “Beneficial Owner”

“Beneficial Owner” shall have the meaning assigned thereto in clause(a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

j) “The Company” or “this Company”

“The Company” or “this Company” means **AGARWAL TOUGHENED GLASS INDIA LIMITED**.

(e) “The Directors”

“The Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

(f) “Depository”

“Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.

(g) “Depositories Act 1996”

“Depositories Act 1996” includes any statutory modification or re- enactment thereof.

(h) “The Board” or the “Board of Directors”

“The Board,” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act.

- (i) “The Chairman”  
“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.
- (j) “The Managing Director”  
“The Managing Director” includes one or more persons appointed as such or any of such persons or Directors for the time being of the Company who may for the time being be the Managing Director of the Company.
- (k) “The Office”  
“The Office” means the Registered Office for the time being of the Company.
- (l) “Capital”  
“Capital” means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.
- (m) “The Registrar”  
“The Registrar” means the Registrar of Companies of the State in which the office of the Company is for the time being situated.
- (n) “Dividend”  
“Dividend” includes Bonus.
- (o) “Month”  
“Month” means the calendar month.
- (p) “Seal”  
“Seal” means the Common Seal for the time being of the Company.
- (q) “In Writing and Written”  
“In Writing and Written” include printing, lithography and other modes of representing or reproducing words in a visible form.
- (r) “Plural Number”  
Words importing the singular number also include the plural number and vice versa.
- (s) “Persons”  
“Persons” include corporations and firms as well as individuals.
- (t) “Gender”  
Words importing the masculine gender also include the feminine gender.
- (u) “Securities & Exchange Board of India”  
“Securities & Exchange Board of India” or SEBI means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.
- (v) “Year and Financial Year”  
“Year” means the Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

#### **Expression in the Act to bear same meaning in the Articles**

Save as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the

same meaning in these Articles.

### **Marginal Notes**

The marginal notes hereto shall not affect the construction of these Articles.

### **COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY**

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:
  - (i) The Memorandum;
  - (ii) The Articles, if any;
  - (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

### **CAPITAL AND SHARES**

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.
5. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

### **SHARES AT THE DISPOSAL OF THE DIRECTORS**

7. Subject to the provisions of Section 62 of the Act and these Articles, the shares capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, In proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up share and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

### **FURTHER ISSUE OF SHARES**

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -
  - (a) to persons who at the date of the offer are holders of equity shares of the company in proportion, as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:-
    - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - (ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
    - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares

offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;

- (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by central government; or
  - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be determined by central government.
- (2) The notice referred to in sub-clause (i) of clause (1) (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company.
- The terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

### **POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES**

9. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.
- (ii) In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred to in Article 9(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9(i) in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit. The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9(i) and (ii) above.

### **REDEEMABLE PREFERENCE SHARES**

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

### **PROVISIONS APPLICABLE IN CASE OF REDEEMABLE SHARES**

11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.
- (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;
  - (b) No such shares shall be redeemed unless they are fully paid;
  - (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

### **NEW CAPITAL SAME AS ORIGINAL CAPITAL**

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

### **RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES**

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

- (2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company.

- (3) Nothing in sub-clause (2) shall apply to –

- (a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by central government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription or, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;
- (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:  
Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by central government.

### **REDUCTION OF CAPITAL**

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

### **CONSOLIDATION AND DIVISION OF CAPITAL**

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:
- (a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
- (b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause, shall not be deemed to

be reduction of share capital within the meaning of the Act.

#### **SALE OF FRACTIONAL SHARES**

16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and 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 with reference to the sale.

#### **MODIFICATION OF RIGHTS**

17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of atleast three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

#### **ISSUE OF FURTHER SHARES ON PARI PASSU BASIS**

18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

#### **NO ISSUE WITH DISPROPORTIONATE RIGHTS**

19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

#### **POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE**

- (a) “Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any”

#### **DEMATERIALIZATION OF SECURITIES**

- (b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

#### **INTIMATION TO DEPOSITORY**

- (c) “Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities”

#### **OPTION FOR INVESTORS**

- (d) “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.”



**THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE  
SECURITIES OTHER THAN THAT OF REGISTERED HOLDER**

- (e) “The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.”

**SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS**

- (f) “All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.”

**RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS**

- (g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

**DEPOSITORY TO FURNISH INFORMATION**

- (h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

**SHARES AND CERTIFICATES  
REGISTER AND INDEX OF MEMBERS**

20. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

**SHARES TO BE NUMBERED PROGRESSIVELY**

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

**DIRECTORS MAY ALLOT SHARES FULLY PAID-UP**

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

### **APPLICATION OF PREMIUM RECEIVED ON SHARES**

- 23.
- 1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this article, apply as if the securities premium account were the paid-up share capital of the company.
  - 2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company –
    - (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
    - (b) in writing off the preliminary expenses of the company;
    - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
    - (d) in providing for the premium payable on the redemption of any redeemable preference
    - (e) shares or of any debentures of the company; or
    - (f) for the purchase of its own shares or other securities under section 68.

### **ACCEPTANCE OF SHARES**

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

### **LIABILITY OF MEMBERS**

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company’s regulations require or fix for the payment thereof.

### **LIMITATION OF TIME FOR ISSUE OF CERTIFICATE**

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every members shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to all such holder.

### **ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED**

27. If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate

in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

#### **RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED**

28. A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

#### **JOINT ALLOTTEES OF HOLDERS**

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

#### **COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER**

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.
- (ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

#### **WHO MAY HOLD SHARES**

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind or in the name of any firm or partnership.
32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

#### **SWEAT EQUITY**

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

#### **DECLARATIONS IN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES**

- 34.
- (1) In pursuance of section 89 of the act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.
  - (2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)
  - (3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)
  - (4) The Company has be bound to follows the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.
  - (5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by central government, within the time specified under section 403.
  - (6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.
  - (7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

#### **FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY**

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

#### **ISSUE OF SHARES WITHOUT VOTING RIGHTS**

36. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as through fit and as may be permitted by law.

#### **SECTIONS 45 OF ACT NOT TO APPLY**

37. Notwithstanding anything to the contrary contained in the Articles,
- (i) Section 45 of the Act shall not apply to the Shares held with a Depository;

#### **TRUST RECOGNIZED**

38. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder

thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

### **REGISTRATION OF CHARGES**

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

### **UNDERWRITING AND BROKERAGE COMMISSION MAY BE PAID**

40. A company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -

- (a) The payment of such commission shall be authorized in the company's articles of association;
- (b) The commission may be paid out of proceeds of the issue or the profit of the company or both;
- (c) The rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less, and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;
- (d) The Draft Prospectus of the company shall disclose—
  - (i) The name of the underwriters;
  - (ii) The rate and amount of the commission payable to the underwriter; and
  - (iii) The number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally.
- (e) There shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;
- (f) A copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the Draft Prospectus for registration.

### **BROKERAGE MAY BE PAID**

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

### **CALLS ON SHARES DIRECTORS MAY MAKE CALLS**

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (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 a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by instalments.

#### **CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS**

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

#### **NOTICE OF CALLS**

44. One month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

#### **CALLS TO DATE FROM RESOLUTION**

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

#### **DIRECTORS MAY EXTEND TIME**

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

#### **CALL TO CARRY INTEREST AFTER DUE DATE**

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

#### **PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES**

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

#### **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general

meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

### **FORFEITURE, SURRENDER AND LIEN**

#### **IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN**

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

#### **FORM OF NOTICE**

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

#### **IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED**

52. 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 all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

#### **NOTICE OF FORFEITURE**

53. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

#### **FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY**

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose off the same in such manner as it thinks fit.

#### **POWER TO ANNUL FORFEITURE**

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

#### **ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE**

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

#### **EFFECT OF FORFEITURE**

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

#### **PROCEEDS HOW TO BE APPLIED**

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

#### **DECLARATION OF FORFEITURE**

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director of the Manager of the Secretary of the Company, and that share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
- (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.
- (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
- (d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.
- (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.
60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

#### **TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES**

61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any; nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or disposal of the share.

#### **PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

#### **THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM**



63. The provisions of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **BOARD MAY ACCEPT SURRENDER OF SHARES**

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

#### **COMPANY'S LIEN ON SHARE/DEBENTURES**

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

#### **ENFORCING LIEN BY SALE**

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

#### **APPLICATION OF PROCEEDS OF SALE**

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

#### **VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE**

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register of members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

#### **BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES**

69. Where an shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

#### **SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL**

70. For the purpose of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **REGISTER OF TRANSFER**

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

### **EXECUTION OF TRANSFER**

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

### **INSTRUMENT OF TRANSFER**

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

### **FORM OF TRANSFER**

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

### **NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC**

75. No transfer shall be made to a minor or a person of unsound mind.

### **TRANSFER OF SHARES**

- 76.
- (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.
  - (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
  - (iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

### **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

77. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal

to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

#### **NO FEE ON TRANSFER OR TRANSMISSION**

78. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

#### **TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN**

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

#### **WHEN TRANSFER TO BE RETAINED**

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

#### **DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES**

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

#### **TITLE TO SHARES OF DECEASED HOLDER**

82. Subject to Article 81 the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

#### **REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER**

83. Subject to the provisions of Article 90 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

#### **CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE**

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or

to transfer shares and if the notice is not complied within sixty days the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

#### **TRANSMISSION OF SHARE**

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

#### **BOARD MAY REFUSE TO TRANSMIT**

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

#### **BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION**

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

#### **TRANSFER BY LEGAL REPRESENTATION**

88. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of instrument of transfer.

#### **CERTIFICATE OF TRANSFER**

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures

#### **THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING**

#### **REGISTRATION OF TRANSFER**

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

#### **NOMINATION**

- 91.

- (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by central government under the Act.
- (ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by central government under the act.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be , all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by central government under the Act.
- (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

#### **“Option of Nominee”**

92.

- (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.  
If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.
- (ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

#### **TRUST NOT RECOGNISED**

- 93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

#### **TRANSFER OF SECURITIES**

- 94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

#### **NOTICE OF APPLICATION WHEN TO BE GIVEN**

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

#### **REFUSAL TO REGISTER NOMINEE**

96. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

#### **PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER**

97. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

#### **BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS**

98. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

#### **JOINT HOLDERS**

99. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

#### **JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES**

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

#### **TITLE OF SURVIVORS**

- (b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

#### **EFFECTUAL RECEIPTS**

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

#### **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER**

- (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 29 from the Company and document served on or sent to such person shall be deemed service on all the joint holders).

#### **VOTES OF JOINT HOLDERS**

- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting

personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

#### **CONVERSION OF SHARES INTO STOCK SHARES MAY BE CONVERTED INTO STOCK**

100. The Board may, pursuant to section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

#### **RIGHTS OF STOCK-HOLDERS**

101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

#### **MEETING OF MEMBERS**

102. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Register may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.
- (b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.
103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

#### **DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERALMEETING**

104. The General Meeting referred to in Article 99 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.

#### **CALLING OF EXTRA-ORDINARY GENERAL MEETING**

- 105.

- (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.
- (2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).
- (3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.
- (4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
- (5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

#### **LENGTH OF NOTICE FOR CALLING MEETING**

106.

- (1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be determined by central government:  
  
Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.
- (2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.
- (3) The notice of every meeting of the company shall be given to –
  - a. every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - b. the auditor or auditors of the company; and
  - c. every director of the company.
- (4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

#### **EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS**

107.

- (1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely:
  - 
  - (a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of—
    - (i) every director and the manager, if any;
    - (ii) every other key managerial personnel; and
    - (iii) relatives of the persons mentioned in sub-clauses (i) and (ii);
  - (b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- (2) For the purposes of clause (1),—
  - (a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—
    - (i) the consideration of financial statements and the reports of the Board of Directors and auditors;
    - (ii) the declaration of any dividend;
    - (iii) the appointment of directors in place of those retiring;



- (iv) the appointment of, and the fixing of the remuneration of, the auditors; And
- (b) in the case of any other meeting, all business shall be deemed to be special:

Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent. of the paid-up share capital of that company, also be set out in the statement.

- (3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub- clause (1).

108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

### **QUORUM**

109.

- (1) The quorum for a General Meeting of the Company shall be as under:
  - (i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or
  - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or
  - (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.
- (2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –
  - (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or
  - (b) the meeting, if called by requisitionists under section 100, shall stand cancelled:  
Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.
- (3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

### **RESOLUTION PASSED AT ADJOURNED MEETING**

110. Where a resolution is passed at an adjourned meeting of –

- (a) a company; or
- (b) the holders of any class of shares in a company; or
- (c) the Board of Directors of a company,

the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

### **REGISTRATION OF RESOLUTIONS AND AGREEMENTS**

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

### **POWER OF ADJOURN GENERAL MEETING**

112.

- (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which

the adjournment took place.

- (2) 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.
- (3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

#### **CHAIRMAN OF GENERAL MEETING**

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extraordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

#### **BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT**

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

#### **RESOLUTION MUST BE PROPOSED AND SECONDED**

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

#### **POSTAL BALLOT**

116.
  - (1) Notwithstanding anything contained in this Act, the company –
    - (a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and
    - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.
  - (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

#### **DECLARATION OF CHAIRMAN TO BE CONCLUSIVE**

117. A declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

#### **CIRCULATION OF MEMBERS' RESOLUTION**

118.
  - (1) A company shall, on requisition in writing of such number of members, as required in section 100,—
    - (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
    - (b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
  - (2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless –

- (a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company,—
  - (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;
  - (ii) in the case of any other requisition, not less than two weeks before the meeting; and
- (b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:

Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

- (3) The company shall not be bound to circulate any statement as required by clause(b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.
- (4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

#### **VOTES MAY BE GIVEN BY PROXY OR ATTORNEY**

119. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

#### **VOTES OF MEMBERS**

- 120.
- (1) Subject to the provisions of section 43 and sub-section (2) of section 50, -
    - (a) every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and
    - (b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.
  - (2) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

### **RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY**

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

### **REPRESENTATION OF BODY CORPORATE**

122. Pursuant to section 113 a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

### **REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS**

123. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

### **RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS**

124. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and/or has exercised its right of lien.

### **RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID**

125. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 124.

### **HOW MEMBER NON-COMPOS MENTIS MAY VOTE**

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

### **INSTRUMENT OF PROXY**

127. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an officer or attorney duly authorized by it.

### **INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE**

128. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution.

### **WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED**

129. 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 share in respect of which the vote 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 adjournment meeting at which the proxy is used.

#### **FORM OF PROXY**

130. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

#### **TIME FOR OBJECTION TO VOTE**

131. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

#### **CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE**

132. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT THEREOF**

133. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable

#### **DIRECTORS**

- 134.
- 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.
  - 2) As on the date of adoption of this Articles of Association, following are the directors of the company:

#### **BOARD OF DIRECTORS**

135. **The following shall be the First Directors of the Company.**

1. **MAHESH KUMAR AGARWAL**
2. **UMA SHANKAR AGARWAL**

**The following shall be the present directors of the company i.e. dated 30<sup>th</sup> October 2023**

1. **Anita Agarwal**
2. **Mahesh Kumar Agarwal**
3. **Uma Shankar Agarwal**
4. **Nitin Hotchandani**
5. **Shalini Sharma**
6. **Ravi Torani**

#### **INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

136. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

## **POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS**

137. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

## **ALTERNATE DIRECTORS**

138. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act:

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

## **NOMINEE DIRECTORS**

139. The Board shall have the power to appoint any person as a director nominated by any institution in Pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

140. A Director need not hold any qualification shares.

## **REMUNERATION OF DIRECTORS**

- 141.
- (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
  - (2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment not a Managing Director may be paid remuneration.
    - (i) by way of monthly, quarterly or annual payment with the approval of the Central Government: or
    - (ii) by way of commission if the Company by a special resolution authorises such payments.
  - (3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.
  - (4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either

in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

#### **INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

142. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

#### **TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS**

143. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

#### **DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY**

144. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles 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 for summoning a General Meeting of the Company but for no other purpose.

#### **DISCLOSURE OF INTEREST OF DIRECTORS**

- 145.
- (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in an company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.
  - (2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
    - a. with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
    - b. with a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

- (3) A contract or arrangement entered into by the company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

- (4) Nothing in this Article-
- (a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;
  - (b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

#### **INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS**

146. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

#### **BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED**

- 147.
- 1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder—
    - (i) for the sale, purchase or supply of any goods, materials or services; or
    - (ii) selling or otherwise disposing of, or buying, property of any kind;
    - (iii) leasing of property of any kind;
    - (iv) availing or rendering of any services;
    - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
    - (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
    - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company;
  - 2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
  - 3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))
  - 4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
  - 5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

#### **SPECIAL DIRECTOR**

148. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaborator" to appoint from time to time



any person as director of the company (hereinafter referred to as “special director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.

The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.

It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.

#### **DIRECTORS’ SITTING FEES**

149. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be determined by central government by the Central Government for each of the meetings of the Board or A committee thereof and adjournments thereto attended by him. The directors, Subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

#### **DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY**

150. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered Into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only Of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189 and 196 of the Act shall be duly observed and complied with.

#### **DISQUALIFICATION OF THE DIRECTOR**

151. (1) A person shall not be eligible for appointment as a director of a company, if -
- (a) he is of unsound mind and stands so declared by a competent court;
  - (b) he is an undischarged insolvent;
  - (c) he has applied to be adjudicated as an insolvent and his application is pending;
  - (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:  
Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
  - (e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
  - (f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
  - (g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
  - (h) he has not complied with sub-section (3) of section 152.

- (2) No person who is or has been a director of a company which –
- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
  - (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

#### **DIRECTORS VACATING OFFICE**

152. The office of a Director shall be vacated if :

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

#### **DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY**

153. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197 or Section 188 of the Act may be applicable.

#### **RETIREMENT AND ROTATION OF DIRECTORS RETIREMENT OF DIRECTORS BY ROTATION**

154.

- (1)
  - (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall -

- (i) be persons whose period of office is liable to determination by retirement of directors by rotation; and
  - (ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.
- (b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.
  - (c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and a every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.
  - (d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
  - (e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.
- (2)
    - (a) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
    - (b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless—
      - 1. at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
      - 2. the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;
      - 3. he is not qualified or is disqualified for appointment;
      - 4. a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
      - 5. section 162 is applicable to the case.

#### **APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY**

155.

- 1) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.
- 2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.
- 3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.

156.

- (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along

with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or, as the case may be, to the member, if the person proposed get selected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

- (2) The company shall inform its members of the candidature of a person for the office of director under subsection (1) in such manner as may be determined by central government.

#### **RESIGNATION OF DIRECTOR**

157.

- 1) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company:

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by central government.

- 2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:

Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

- 3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.
- 4)

#### **REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR**

158. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

#### **APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS**

159.

- a. The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.
- b. Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

#### **REMOVAL OF DIRECTORS**

160.

- 1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

- 2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.
- 3) On receipt of notice of a resolution to remove a director under this section, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.
- 4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so,—
  - (a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and
  - (b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:  
Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.
- 5) A vacancy created by the removal of a director under this section may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-section (2).
- 6) A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.
- 7) If the vacancy is not filled under sub-section (5), it may be filled as a casual vacancy in accordance with the provisions of this Act:  
Provided that the director who was removed from office shall not be re-appointed as a director by he Board of Directors.
- 8) Nothing in this section shall be taken -
  - (a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
  - (b) as derogating from any power to remove a director under other provisions of this Act.

#### **ELIGIBILITY FOR RE-ELECTION**

161. A retiring Director shall be eligible for re-election.

#### **PROCEEDINGS OF DIRECTORS MEETINGS OF BOARD**

- 162.
- 1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

- 2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

- 3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

#### **QUORUM**

163.

- 1) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.
- 2) 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 and for no other purpose.
- 3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.
- 4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday till the next succeeding day, which is not a national holiday, at the same time and place.

#### **DECISION OF QUESTIONS**

164. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

#### **BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN**

165. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co-Chairman or the Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

## **POWER OF BOARD MEETING**

166. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles are for the time being vested in or exercisable by the Board generally.
167. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

## **MEETING OF THE COMMITTEE HOW TO BE GOVERNED**

168. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

## **DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN**

169. No act done by a person as a director shall be deemed to be invalid notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

## **PASSING OF RESOLUTION BY CIRCULATION**

- 170.
- 1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by central government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

- 2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

## **SPECIAL NOTICE**

171. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

## **GENERAL POWERS OF THE BOARD**

172.

- 1) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.

- 2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

### **CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS**

173. The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely: -

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
- (q) to invite and accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposit;



- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be. Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:

Nothing in this section shall be deemed to affect the right of the company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

### **RESTRICTIONS ON POWERS OF BOARD**

174.

- 1) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: -
  - a. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
  - b. to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
  - c. to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:  
Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise and with drawables by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause.
  - d. to remit, or give time for the repayment of, any debt due from a director.
- 2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (c) of sub-section (1) shall specify the total amount up to which monies may be borrowed by the Board of Directors.
- 3) Nothing contained in clause (a) of sub-section (1) shall affect –
  - (a) the title of a buyer or other person who buys or takes on lease any property investment or undertaking as is referred to in that clause, in good faith; or
  - (b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.
- 4) Any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:  
  
Provided that this sub-section shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.
- 5) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section (1) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

### **POWER TO BORROW**

175. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.
176. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act

shall also apply.

#### **THE PAYMENT OR REPAYMENT OF MONEYS BORROWED**

177. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

#### **BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS**

178. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

#### **CONDITION ON WHICH MONEY MAY BE BORROWED**

179. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

#### **TERMS OF ISSUE OF DEBENTURES**

180. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

#### **DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED**

- 181.
- 1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:  
  
Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.
  - 2) No company shall issue any debentures carrying any voting rights.
  - 3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.
  - 4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.
  - 5) No company shall issue a Draft Prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by central government.

- 6) A debenture trustee shall take steps to protect the interests of the debentureholders and redress their grievances in accordance with such rules as may be determined by central government.
- 7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than three-fourths in value of the total debentures at a meeting held for the purpose.

- 8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.
- 9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.
- 10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.
- 11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.
- 12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.
- 13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

#### **EXECUTION OF INDEMNITY**

182. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

#### **CERTAIN POWERS OF THE BOARD**

183. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:
  - 1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.
  - 2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized

to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.

- 3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charges upon all or any part of the property of the Company including its uncalled capital or not so charges.
- 4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage of charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- 5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.
- 6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.
- 7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- 8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.
- 9) To refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.
- 10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- 12) To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be though fit.
- 14) Subject to the provisions of Sections 179,180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- 15) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company, such mortgages of the

Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

- 16) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of working expenses of the Company.
- 17) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to Section 292 of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.
- 20) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of the Act and of the provision contained in these presents.
- 21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.
- 22) To redeem redeemable preference shares.
- 23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- 24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

## **APPOINTMENT OF INDEPENDENT DIRECTOR**

184. Pursuant to section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by central government by the Central Government.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act –

- (i) an independent director;
- (ii) a non-executive director not being promoter or key managerial personnel,

shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

## **KEY MANAGERIAL PERSONNEL APPOINTMENT OF KEY MANAGERIAL PERSONNEL**

- 185.
- 1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.
  - 2) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:

Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board:

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel:

Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or

employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

- 3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

#### **REMUNERATION OF KEY MANAGERIAL PERSONNEL**

186. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

#### **DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR**

187. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

#### **CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS**

188. No company shall appoint or continue the employment of any person as managing director, whole-time director or manager who –

- (a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- (c) has at any time suspended payment to his creditors or makes, or has at anytime made, a composition with them; or
- (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

189. Special to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

190. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-

- a) Managing Director and  
b) Manager.

and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

#### **THE SECRETARY**

191. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the

Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

#### **THE SEAL, ITS CUSTODY AND USE**

192. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

#### **MINUTES**

- 193.
- 1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.
  - 2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.
    - (a) in the case of minutes of proceedings of a meeting of the Board or of a committee hereof, by the Chairman of the next succeeding meeting.
    - (b) In the case of minutes of proceedings of a General Meeting, by the chairman of the same meeting within the aforesaid period of thirty Days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.
194. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 198 above, shall be evidence of the proceedings recorded therein.
195. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of article 199 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be Valid.
- 196.
- 1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday.
  - 2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.
  - 3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
  - 4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.
  - 5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
  - 6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain -
    - (a) the names of the directors present at the meeting; and



- (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- 7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting –
- (a) is or could reasonably be regarded as defamatory of any person; or
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the company.

The Chairman shall exercise and absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

#### **PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED**

197. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors of Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

#### **DIVIDENDS**

198.

- 1) No dividend shall be declared or paid by a company for any financial year except –
- a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
  - b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government: Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by central government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

- 2) The depreciation shall be provided in accordance with the provisions of Schedule II of the act.
- 3) The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

- 4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.
- 5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:

Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company:

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

- 6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

#### **DIVIDEND TO JOINT HOLDERS**

199. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
200. 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.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

#### **APPORTIONMENT OF DIVIDENDS**

201. All dividends shall be apportioned and paid proportionate 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.

#### **DECLARATION OF DIVIDENDS**

202. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

#### **RESTRICTION ON AMOUNT OF DIVIDEND**

203. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

#### **DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST**

- 204.
- 1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.
  - 2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

#### **INTERIM DIVIDENDS**

205. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

#### **DEBTS MAY BE DEDUCTED**

206. The Board may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

#### **DIVIDEND AND CALL TOGETHER**

207. Any General Meeting declaring an dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

### **EFFECT OF TRANSFER**

208. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

### **RETENTION IN CERTAIN CASES**

209. The Board may retain the dividends payable upon share in respect of which any person is under Articles entitled to become a member of which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

### **NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT**

210. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

### **PAYMENT BY POST**

211. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

### **DIVIDEND TO BE PAID WITHIN THIRTY DAYS**

212. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:
- (a) the dividend could not be paid by reason of the operation of any law or
  - (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions can not be complied with or
  - (c) there is dispute, regarding the right to receive the dividend or
  - (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
  - (e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

### **UNPAID OR UNCLAIMED DIVIDEND**

- 213.
- 1) Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.
  - 2) The company shall, within a period of ninety days of making any transfer of an amount under sub- section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and

also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be determined by central government.

- 3) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- 4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.
- 5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.
- 6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by central government.

#### **CAPITALIZATION OF RESERVES**

214.

- a. Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:
  - (1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or
  - (2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or
  - (3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.
- b.
  - (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and
  - (2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.

- c. Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.
- d. For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.
- e. If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or of invalidity in the proceedings with reference to the sale.
- f. Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

#### **FRACTIONAL CERTIFICATES**

215.

- (1) 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 capitalized thereby and all allotments and issues of fully paid Shares and
  - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
  - (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also
  - (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.
- (3) Any agreement made under such authority shall be effective and binding on all such Members.
- (4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

#### **DIVIDEND IN CASH**

216. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

217. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

**BOOKS OF ACCOUNTS  
BOOKS OF ACCOUNTS TO BE KEPT**

218. The Company shall cause to be kept proper books of account with respect to:

- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
- (ii) all sales and purchases of goods and services by the company;
- (iii) the assets and liabilities of the company; and
- (iii) the items of cost as may be determined by central government under section 148 in the case of a company which belongs to any class of companies specified under that section;

**BOOKS WHERE TO BE KEPT AND INSPECTION**

219.

- 1) Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by central government.

- 2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).
- 3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.
- 4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

**INSPECTION BY MEMBERS**

220. Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts and books and the documents of the Company or any of them shall be open to the inspection of the members and 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 statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

**TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED**

221. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close

the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be at least 30 (thirty) days.

#### **STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING**

222. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

#### **FINANCIAL STATEMENT**

223. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

#### **AUTHENTICATION OF FINANCIAL STATEMENT**

224. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

#### **BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT**

225. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 229. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

#### **RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT**

226. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

#### **A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR**

227. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

#### **RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT**

228. (1) Without prejudice to the provisions of section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by central government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall –

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
  - (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.
- (2) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

#### **ACCOUNTS TO BE AUDITED**

229. (1) Once at least in every year they accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.
- (2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

#### **APPOINTMENT OF AUDITORS**

230. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.
- (2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of



auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

- (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:
- (a) he is not disqualified for re-appointment;
  - (b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and
  - (c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.
- (4) The company shall not appoint or reappoint -
- (a) an individual as auditor for more than one term of five consecutive years; and
  - (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

- (i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.
  - (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.
- (5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.

#### **POWER OF BOARD TO MODIFY FINAL ACCOUNTS**

231. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

#### **DOCUMENTS AND NOTICE SERVICES OF DOCUMENTS ON MEMBER BY COMPANY**

232. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by central government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

#### **SERVICE OF DOCUMENTS ON COMPANY**

233. A document may be served on a company or an officer thereof by sending it to the company or the officer at the

registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

#### **“Service of documents on the Company”**

234. Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or other mode in accordance with the Act and rules made thereunder.

### **AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS**

235. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

### **REGISTERS AND DOCUMENTS**

#### **REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY**

236. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
  - (b) Register of mortgages and charges as required by Section 85 of the Act.
  - (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
  - (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
  - (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
  - (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
  - (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

#### **MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM**

237. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
- (a) required to be kept by a company; or
  - (b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

### **INDEMNITY**

238. 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.

### **WINDING UP**

## **DISTRIBUTION OF ASSETS**

239.

- (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
- (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the Act.
- (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

## **RIGHT OF SHAREHOLDERS IN CASE OF SALE**

240.

A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.

## **SECRECY CLAUSE**

241.

No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.

242.

Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

## **KNOWLEDGE IMPLIED**

243.

Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.

## **SECTION X - OTHER INFORMATION**

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

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Red Herring Prospectus, will be delivered to the ROC for registration/submission of this Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at [www.agarwaltuff.com](http://www.agarwaltuff.com), from date of filing of this Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### **1. Material Contracts for the Issue**

- (i). Issue Agreement dated July 10, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated July 10, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated March 28, 2023 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated March 17, 2023 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated November 15, 2024 executed between our Company, Book Running Lead Manager Syndicate Member and Registrar to the Issue.
- (vi). Banker to the Issue Agreement dated November 15, 2024 among our Company, Book Running Lead Manager, Banker to the Issue the Registrar to the Issue and Market Maker to the Issue.
- (vii). Market Making Agreement dated November 15, 2024 between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated November 15, 2024 amongst our Company and the Underwriter.

#### **2. Material Documents**

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated October 30, 2009 issued under the Companies Act, 1956 by the Registrar of Companies, Rajasthan.
- (iii) Fresh Certificate of Incorporation dated March 6, 2023, issued under the Companies Act, 2013 by the Registrar of Companies, Rajasthan at Jaipur, consequent to conversion of our Company into a public limited company.
- (iv) The resolution passed by the Board of Directors at its meeting held on June 22, 2024 and the resolution passed by the Shareholders of the Company in EGM held on June 25, 2024 authorizing the Issue.
- (v) Resolution of the Board of Directors of the Company dated July 26, 2024, taking on record and approving the Draft Red Herring Prospectus.
- (vi) Resolution of the Board of Directors of the Company dated November 19, 2024, taking on record and approving this Red Herring Prospectus.
- (vii) The examination report dated November 11, 2024 issued by the Statutory Auditor, on our Company's Restated Financial Statements, included in this Red Herring Prospectus.
- (viii) Copies of the Audited Financial Statements of our Company for the Fiscals 2024 and 2023 and 2022.
- (ix) Consent of the Promoters, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- (x) Consent letter dated November 12, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated November 11, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated November 12, 2024 included in this Red Herring Prospectus.
- (xi) Certificate from Chartered Engineer dated November 12, 2024.
- (xii) Certificate on Key Performance Indicators (KPI's) issued by Statutory Auditor dated November 12, 2024.
- (xiii) In principle listing approval dated October 30, 2024 issued by National Stock Exchange of India Limited.
- (xiv) Due Diligence Certificate dated July 26, 2024, issued by the BRLM.

Any of the contracts or documents mentioned in this 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, 2013 and other relevant statutes.

## **DECLARATION**

We 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 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. We further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS AND CFO OF OUR COMPANY**

Sd/-

\_\_\_\_\_  
**Anita Agarwal**  
(Managing Director)

Sd/-

\_\_\_\_\_  
**Mahesh Kumar Agarwal**  
(Executive Director)

Sd/-

\_\_\_\_\_  
**Uma Shankar Agarwal**  
(Non-Executive Director)

Sd/-

\_\_\_\_\_  
**Nitin Ghanshyam Hotchandani**  
(Independent Director)

Sd/-

\_\_\_\_\_  
**Shalini Sharma**  
(Independent Director)

Sd/-

\_\_\_\_\_  
**Ravi Torani**  
(Independent Director)

### **SIGNED BY THE CS OF OUR COMPANY**

Sd/-

\_\_\_\_\_  
**Neha Jadoun**  
(Company Secretary & Compliance Officer)

### **SIGNED BY THE CFO OF OUR COMPANY**

Sd/-

\_\_\_\_\_  
**Mangal Ram Prajapati**  
(Chief Financial Officer)

**Place:** Jaipur, Rajasthan

**Date:** November 19, 2024