



Prospectus

Dated: March 24, 2022

Please read Section 26 of the Companies Act, 2013

Fixed Price Issue

# DHYAANI INC

## DHYAANI TILE AND MARBLEZ LIMITED

CIN: U51900GJ2014PLC081004

| REGISTERED OFFICE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                  | CONTACT PERSON                                             | TELEPHONE AND EMAIL                                                                                                             | WEBSITE                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| 420, Times Square Arcade, Opp. Rambaug, Thaltej-Shilaj Road, Ahmedabad – 380059, Gujarat, India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  | Ms. Foram Ajmeri, Company Secretary and Compliance Officer | Tel: 079-41005865<br>Email: <a href="mailto:cs@dhyaaniinc.com">cs@dhyaaniinc.com</a> ;                                          | <a href="http://www.dhyaaniinc.com">www.dhyaaniinc.com</a>                                       |
| PROMOTER OF OUR COMPANY: MR. CHINTAN NAYAN BHAI RAJYAGURU                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| DETAILS OF THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| TYPE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | FRESH ISSUE SIZE<br>(IN ₹ LAKHS) | OFS SIZE (BY NO. OF SHARES<br>OR BY AMOUNT IN ₹)           | TOTAL ISSUE SIZE                                                                                                                | ELIGIBILITY                                                                                      |
| Fresh Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | ₹ 244.80 Lakhs                   | Nil                                                        | ₹ 244.80 Lakhs                                                                                                                  | THIS ISSUE IS BEING MADE IN TERMS 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 THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| RISK IN RELATION TO THE FIRST ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 5.1 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under chapter titled “Basis for Issue Price” beginning on Page No. 55 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.                                                                      |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| GENERAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the 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 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 Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 18 of this Prospectus. |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| ISSUER’S ABSOLUTE RESPONSIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 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 Prospectus are proposed to be listed on BSE SME Platform of BSE Limited (“BSE”). Our Company has received an In-Principal Approval letter dated March 17, 2022 from BSE for using its name in this offer document for listing our shares on the BSE SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE.                                                                                                                                                                                                                                                                                                                                                                                         |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| LEAD MANAGER: GYR CAPITAL ADVISORS PRIVATE LIMITED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| NAME AND LOGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                  | CONTACT PERSON                                             | EMAIL & TELEPHONE                                                                                                               |                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                  | Mr. Ikshit Shah                                            | Telephone: +91 8200931018<br>Fax: N.A.<br>E-mail: <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a>  |                                                                                                  |
| REGISTRAR TO THE ISSUE: KFIN TECHNOLOGIES LIMITED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| NAME AND LOGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                  | CONTACT PERSON                                             | EMAIL & TELEPHONE                                                                                                               |                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                  | Mr. M Murali Krishna                                       | Tel: +91 40 6716 2222<br>Fax: +91 40 2343 1551<br>Email: <a href="mailto:dhyaani.ipo@kfintech.com">dhyaani.ipo@kfintech.com</a> |                                                                                                  |
| ISSUE PROGRAMME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  |                                                            |                                                                                                                                 |                                                                                                  |
| ISSUE OPENS ON: WEDNESDAY, MARCH 30, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                  |                                                            | ISSUE CLOSES ON: MONDAY, APRIL 04, 2022                                                                                         |                                                                                                  |

# DHYAANI INC

## DHYAANI TILE AND MARBLEZ LIMITED

CIN: U51900GJ2014PLC081004

Our Company was incorporated as “Dhyani Enterprise Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 9, 2014 bearing Registration No. 081004 issued by the Registrar of Companies, Ahmedabad, Gujarat. Further, name of our company was changed to “Dhyani Tile and Marblez Private Limited” vide special resolution dated October 14, 2021. A fresh certificate of incorporation consequent to change of name was issued to our Company by the Registrar of Companies, Ahmedabad on October 18, 2021. Further our Company was converted into a Public Limited Company and the name of our Company was changed to “Dhyani Tile and Marblez Limited” vide special resolution dated October 22, 2021. A fresh certificate of incorporation consequent to conversion into public limited Company was issued to our Company by the Registrar of Companies, Ahmedabad on November 9, 2021. For further details, including change in our Registered Office, please refer the chapter “History and Certain Corporate Matters” beginning on Page No. 78 of this Prospectus.

**Registered Office:** 420, Times Square Arcade, Opp. Rambaug, Thalaj-Shilaj Road, Ahmedabad – 380059, Gujarat, India

**Tel:** 079-41005865; **Email:** [cs@dhyaniinc.com](mailto:cs@dhyaniinc.com); **Website:** [www.dhyaniinc.com](http://www.dhyaniinc.com);

**Contact Person:** Ms. Foram Ajmeri, Company Secretary and Compliance Officer.

**PROMOTER OF OUR COMPANY: MR. CHINTAN NAYAN BHAI RAJYAGURU**

### THE ISSUE

**PUBLIC ISSUE OF 4,80,000 EQUITY SHARES OF ₹ 10/- EACH (“EQUITY SHARES”) OF DHYAANI TILE AND MARBLEZ LIMITED (“DTML” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ 51/- PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 244.80 LAKHS (“THE ISSUE”), OF WHICH 24,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 4,56,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 31.58% AND 30.00%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- AND THE ISSUE PRICE IS 5.1 TIMES OF THE FACE VALUE**

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. All potential investors shall participate in the issue only through and Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and/or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention invited to chapter titled “Issue Procedure” beginning on Page No. 129 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 5.1 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under chapter titled “Basis for Issue Price” beginning on Page No. 55 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the 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 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 Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 18 of this Prospectus.

### COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 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 Prospectus are proposed to be listed on BSE SME Platform of BSE Limited (“BSE”). Our Company has received an In-Principal Approval letter dated March 17, 2022 from BSE for using its name in this offer document for listing our shares on the BSE SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE.

### BOOK RUNNING LEAD MANAGER TO THE ISSUE

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  <p><b>GYR CAPITAL ADVISORS PRIVATE LIMITED</b><br/>428, Gala Empire, Near T.B. Tower Drive In Road,<br/>Thalaj, Ahmedabad – 380054, Gujarat, India<br/><b>Tel No.:</b> +91 8200931018<br/><b>Fax No.:</b> N.A.<br/><b>Email:</b> <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a><br/><b>Website:</b> <a href="http://www.gycapitaladvisors.com">www.gycapitaladvisors.com</a><br/><b>Investor Grievance</b><br/><b>Email:</b> <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a><br/><b>Contact Person:</b> Ikshit Shah<br/><b>SEBI Registration No.:</b> INM000012810</p> |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

### REGISTRAR TO THE ISSUE

|                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><b>KFIN TECHNOLOGIES LIMITED</b><br/>(Formerly known as KFin Technologies Private Limited)<br/>Selenium Tower-B, Plot 31 &amp; 32, Gachibowli,<br/>Financial District, Nanakramguda, Serilingampally,<br/>Hyderabad – 500 032, Telangana<br/><b>Contact Person :</b> M Murali Krishna<br/><b>Tel:</b> +91 40 6716 2222<br/><b>Fax:</b> +91 40 2343 1551<br/><b>Email:</b> <a href="mailto:dhyani.ipo@kfintech.com">dhyani.ipo@kfintech.com</a><br/><b>Investor grievance e-mail:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a><br/><b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a><br/><b>SEBI Registration No. :</b> INR000000221</p> |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### ISSUE OPENS ON

**ISSUE OPENS ON: WEDNESDAY, MARCH 30, 2022**

### ISSUE CLOSES ON

**ISSUE CLOSES ON: MONDAY, APRIL 04, 2022**

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|                                                                                             |            |
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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

| Term                                                                         | Description                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dhyaani Tile And Marblez Limited / Dhyaani / DTML/ The Company / Our Company | Dhyaani Tile And Marblez Limited, a public limited company incorporated under the provisions of the Companies Act, 2013 and having its registered office situated at 420, Times Square Arcade, Opp. Rambaug, Thaltej-Shilaj Road, Ahmedabad – 380059, Gujarat, India. |
| “We” , “our” or “us”                                                         | Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiary, on a consolidated basis.                                                                                                                                       |

#### Company related Terms

| Term                                          | Description                                                                                                                                                                                                                                                                             |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AoA/ Articles / Articles of Association       | Unless the context otherwise requires, refers to the Articles of Association of Dhyaani Tile And Marblez Limited                                                                                                                                                                        |
| Audit Committee                               | The committee of the Board of Directors constituted on January 13, 2022 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013                                                                                                                      |
| Auditor / Statutory Auditor                   | The Statutory Auditor of our company, being J Singh & Associates, Chartered Accountant, having their office at 505,506,507, Hub Town Viva Off Western Express Highway Near Shankar Wadi Between Andheri East, And, Jogeshwari East, Mumbai, Maharashtra 400060.                         |
| Board of Directors / Board                    | The Board of Directors of Dhyaani Tile And Marblez Limited, including all duly constituted Committees thereof.                                                                                                                                                                          |
| Chief Financial Officer / CFO                 | Chief Financial Officer of our Company is Ms. Alpa Thummar.                                                                                                                                                                                                                             |
| CIN/ Corporate Identification Number          | U51900GJ2014PLC081004                                                                                                                                                                                                                                                                   |
| Company Secretary and Compliance Officer / CS | The Company Secretary and Compliance Officer of our Company is Ms. Foram Ajmeri.                                                                                                                                                                                                        |
| Director(s)                                   | Director(s) of Dhyaani Tile And Marblez Limited, unless otherwise specified.                                                                                                                                                                                                            |
| Equity Shares                                 | Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.                                                                                                                                                                            |
| Equity Shareholders                           | Persons holding Equity Share of our Company                                                                                                                                                                                                                                             |
| Group Companies                               | Companies (other than our Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “Our Group Companies” beginning on Page No. 95 of this Prospectus. |
| Independent Director(s)                       | The Non-Executive Independent Director(s) as per the Companies Act, 2013 and the Listing Regulations.                                                                                                                                                                                   |
| ISIN                                          | International Securities Identification Number. In this case being INE0K5F01014                                                                                                                                                                                                         |
| Key Management Personnel / KMP                | Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in the chapter titled “Our Management” beginning on Page No. 81 of this Prospectus                                                                                    |
| MOA / Memorandum /                            | Memorandum of Association of Dhyaani Tile And Marblez Limited.                                                                                                                                                                                                                          |

| Term                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Memorandum of Association             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Materiality Policy                    | The policy adopted by our Company in its Board Meeting dated January 13, 2022 for identification of Group Companies, material creditors and material litigations, pursuant to the disclosure requirements under the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                     |
| MD or Managing Director               | Mr. Chintan Nayan Bhai Rajyaguru                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Nomination and Remuneration Committee | The committee of the Board of Directors constituted on January 13, 2022 as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013                                                                                                                                                                                                                                                                                                                       |
| Promoter(s) / Core Promoter           | Mr. Chintan Nayan Bhai Rajyaguru                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Promoter Group                        | Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled "Our Promoter and Promoter Group" beginning on Page No. 92 of this Prospectus.                                                                                                                                                                                                                                                          |
| Registered Office                     | The Registered Office of our Company is situated at 420, Times Square Arcade, Opp. Rambaug, Thaltej-Shilaj Road, Thaltej, Ahmedabad – 380059, Gujarat, India.                                                                                                                                                                                                                                                                                                                                                  |
| Registrar of Companies / RoC          | Registrar of Companies, Ahmedabad, Gujarat situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013.                                                                                                                                                                                                                                                                                                                                                             |
| Restated Financial Statements         | The financial statements of our Company's assets and liabilities as at March 31, 2021, 2020 and 2019 and the statements of profit and loss and cash flows for the year ended on March 31, 2021, 2020 and 2019 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Revised Guidance Note on Reports in Company Prospectuses (Revised) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| Stakeholders' Relationship Committee  | The committee of the Board of Directors constituted on January 13, 2022 as our Company's Stakeholders' Relationship Committee.                                                                                                                                                                                                                                                                                                                                                                                 |
| Stock Exchange                        | Unless the context requires otherwise, refers to, the BSE SME Platform of BSE Limited.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Subsidiary                            | The company does not have subsidiary                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| You or Your or Yours                  | Prospective Investors in this Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

## Issue Related Term

| Term                 | Description                                                                                                                                                                                                               |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Abridged Prospectus  | Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.                                                                                                      |
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.                                                                                              |
| Allot / Allotment    | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants. |
| Allotment Advice     | Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.                     |
| Allottees            | The successful applicant to whom the Equity Shares are being / have been allotted.                                                                                                                                        |
| Applicant            | Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.                                                                                                                          |

| Term                                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Application Form                               | The Form in terms of which the applicant shall apply for the Equity Shares of the Company.                                                                                                                                                                                                                                                                                                                                                                                |
| Application Amount                             | The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.                                                                                                                                                                                                                                                                                |
| Application Supported by Blocked Amount/ ASBA  | An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.                                                                                                                                                                                               |
| ASBA Account                                   | A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.                                                                                                                                                                                                                                                                                                         |
| ASBA Applicant(s)                              | Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.                                                                                                                                                                                                                                                                                                                                                       |
| ASBA Application / Application                 | An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Prospectus.                                                                                                                                                                                                                                                                                                           |
| Banker(s) to the Company                       | Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” beginning on page no. 33 of this Prospectus.                                                                                                                                                                                                                                                                                                                         |
| Banker(s) to the Issue                         | The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being ICICI Bank Limited.                                                                                                                                                                                                                                                                                                  |
| Basis of Allotment                             | The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on Page No. 129 of this Prospectus.                                                                                                                                                                                                                                                               |
| Broker Centres                                 | Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>                                                                                                                       |
| Business Day                                   | Monday to Friday (except public holidays)                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| CAN / Confirmation of Allocation Note          | 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.                                                                                                                                                                                                                                                                            |
| Circular’s on streamlining of Public Issue     | Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard. |
| Client ID                                      | Client identification number maintained with one of the Depositories in relation to Demat account.                                                                                                                                                                                                                                                                                                                                                                        |
| Collecting Depository Participant(s) or CDP(s) | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.                                                                                                                                                                                                         |
| Controlling Branches                           | 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.                                                                                                                                                              |
| Demographic Details                            | The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).                                                                                                                                                                                                                                                                                                                                        |

| Term                                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Depository / Depositories                    | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Depository Participant / DP                  | A depository participant as defined under the Depositories Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Depositories Act                             | The Depositories Act, 1996, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Designated Date                              | The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.                                                                                                                        |
| Designated Intermediaries / Collecting Agent | In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.<br>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.<br>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. |
| Designated Locations CDP                     | Such locations of the CDPs where Applicants can submit the Application Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.                                                                                                                                                                                                                                                                                            |
| Designated Market Maker                      | Girij Stock Broking Private Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                              |
| Designated Locations RTA                     | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.                                                                                                                                                                                                                                                                                                                                                               |
| Designated Branches SCSB                     | Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.                                                                                                           |
| Designated Exchange Stock                    | BSE Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Draft Prospectus                             | The Draft Prospectus issued in accordance with the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Eligible NRI(s)                              | An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.                                                                                                                                                                                                                                                                                                                                                                                       |
| Escrow Account                               | Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Escrow and Sponsor Bank Agreement            | Agreement dated March 02, 2022 entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue and Sponsor Bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.                                                                                                                                                                                                                                                                                                                                                                           |

| Term                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Foreign Institutional Investors/ FII  | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Foreign Portfolio Investor / FPIs     | Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| First Applicant                       | Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Fresh Issue                           | The Fresh Issue of 4,80,000 Equity Shares by our Company having face value of ₹ 10/- each at a price of ₹ 51/- per equity share aggregating to ₹ 244.80 Lakhs, to be issued by our Company for subscription pursuant to the terms of this Prospectus..                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Fresh Issue Proceeds                  | The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on Page No. 50 of this Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Fugitive Economic Offender            | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offender Act, 2018.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| General Information Document / GID    | The General Information Document for investing in public issues prepared and issued in accordance with the circular (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, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, 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 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM. |
| Issue Agreement                       | The Memorandum of Understanding amongst our Company and the Lead Manager dated January 24, 2022.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Issue Proceeds                        | The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please refer the chapter titled “ <i>Objects of the Issue</i> ” beginning on Page No. 50 of this Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Issue/ Issue Size / Public Issue/ IPO | This Initial Public Issue of 4,80,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per equity share aggregating to ₹ 244.80 lakhs by our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Issue Closing date                    | The date on which the Issue closes for subscription being Monday, April 04, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Issue Opening date                    | The date on which the Issue opens for subscription being Wednesday, March 30, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Issue Price                           | The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under this Prospectus being ₹ 51/- per share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| LM / Lead Manager                     | Lead Manager to the Issue, in this case being GYR Capital Advisors Private Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Listing Agreement                     | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Lot Size                              | The Market lot and Trading lot for the Equity Share is 2,000 and in multiples of 2,000 thereafter; subject to a minimum allotment of 2,000 Equity Shares to the successful applicants.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Market Maker Reservation Portion      | The Reserved portion of 24,000 Equity shares of ₹ 10/- each at an Issue Price of ₹ 51/- aggregating to ₹ 12.24 lakhs for Designated Market Maker in the Public Issue of our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Market Making                         | The Agreement among the Market Maker, the Lead Manager and our Company dated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Term                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agreement                                | March 02, 2022.                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Mobile App(s)                            | The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.                                                                                               |
| Mutual Fund                              | A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.                                                                                                                                                                                                                                                                                                                                                                                         |
| Net Issue                                | The Net Issue of 4,56,000 Equity Shares of ₹ 10/- each at ₹ 51/- per Equity Share aggregating to ₹ 232.56 lakhs by our Company.                                                                                                                                                                                                                                                                                                                                                         |
| Non-Institutional Applicant              | All Applicants, including Eligible FPIs, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs, OFIs other than eligible QFIs).                                                                                                                                                                                                                               |
| Non-Resident                             | A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.                                                                                                                                                                                                                                                                                                                             |
| Overseas Corporate Body / OCB            | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.                                                                    |
| Person or Persons                        | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.                                                                                                                           |
| Prospectus                               | The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.                                                                                                                                                                                                                                                                                                                                                             |
| Public Issue Account                     | Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.                                                                                                                                                                                                                                                                                                                     |
| Qualified Institutional Buyers / QIBs    | Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                       |
| Registrar Agreement                      | The agreement dated January 24, 2022 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.                                                                                                                                                                                                                                                                                        |
| Registrar and Share Transfer Agents/RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.                                                                                                                                                                                                                                                               |
| Registrar/ Registrar to the Issue        | Registrar to the Issue being Kfin Technologies Limited (Formerly known as KFin Technologies Private Limited)                                                                                                                                                                                                                                                                                                                                                                            |
| Retail Individual Investors              | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000                                                                                                                                                                                                                                                                                                                                    |
| Revision Form                            | Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).<br>QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date. |
| Self-Certified Syndicate Bank(s) / SCSBs | The banks registered with SEBI, offering services, in relation to ASBA where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at                                                                                                                                                                                                                                                                                              |

| Term                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                       | <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.                                                                                                                                                                                                                                                        |
| Sponsor Bank                          | A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being ICICI Bank Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| TRS / Transaction Registration Slip   | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Underwriter(s)                        | GYR Capital Adviors Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Underwriting Agreement                | The Agreement among the Underwriter(s) and our Company dated March 02, 2022.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| “Unified Payments Interface” or “UPI” | The instant payment system developed by the National Payments Corporation of India (NPCI).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| UPI ID                                | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| UPI Mandate Request                   | A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| UPI mechanism                         | The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019                                                                                                                                                                                                                                                                                                                                                              |
| UPI PIN                               | Password to authenticate UPI transaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| U.S. Securities Act                   | U.S. Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Wilful Defaulter                      | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Working Day                           | Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Bid / IssuePeriod, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid / IssueClosing Date and the listing of the EquityShares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018. |

## Conventional Terms / General Terms / Abbreviations

| Term | Description                                                                                 |
|------|---------------------------------------------------------------------------------------------|
| A/c  | Account                                                                                     |
| AGM  | Annual General Meeting                                                                      |
| AIF  | Alternative Investment Fund as defined in and registered with SEBI under the Securities and |

| Term                                                           | Description                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                | Exchange Board of India (Alternative Investments Funds) Regulations, 2012                                                                                                                                                                                                       |
| AS / Accounting Standards                                      | Accounting Standards as issued by the Institute of Chartered Accountants of India                                                                                                                                                                                               |
| ASBA                                                           | Applications Supported by Blocked Amount                                                                                                                                                                                                                                        |
| AY                                                             | Assessment Year                                                                                                                                                                                                                                                                 |
| Banking Regulation Act                                         | Banking Regulation Act, 1949                                                                                                                                                                                                                                                    |
| BSE                                                            | BSE Limited                                                                                                                                                                                                                                                                     |
| CAGR                                                           | Compound Annual Growth Rate                                                                                                                                                                                                                                                     |
| Category I foreign portfolio investor(s) / Category I FPIs     | FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations                                                                                                                                                                              |
| Category II foreign portfolio investor(s) / Category II FPIs   | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations                                                                                                                                                                             |
| Category III foreign portfolio investor(s) / Category III FPIs | FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations                                                                                                                                                                            |
| CDSL                                                           | Central Depository Services (India) Limited                                                                                                                                                                                                                                     |
| CFO                                                            | Chief Financial Officer                                                                                                                                                                                                                                                         |
| CIN                                                            | Company Identification Number                                                                                                                                                                                                                                                   |
| CIT                                                            | Commissioner of Income Tax                                                                                                                                                                                                                                                      |
| Client ID                                                      | Client identification number of the Applicant’s beneficiary account                                                                                                                                                                                                             |
| COVID-19                                                       | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.                                                                                                                           |
| Companies Act                                                  | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification. |
| Companies Act, 1956                                            | The Companies Act, 1956, as amended from time to time                                                                                                                                                                                                                           |
| Companies Act, 2013                                            | The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.                                                                                                                                                                    |
| CSR                                                            | Corporate Social Responsibility                                                                                                                                                                                                                                                 |
| CST                                                            | Central Sales Tax                                                                                                                                                                                                                                                               |
| CY                                                             | Calendar Year                                                                                                                                                                                                                                                                   |
| Depositories                                                   | Together, NSDL and CDSL                                                                                                                                                                                                                                                         |
| Depositories Act                                               | Depositories Act, 1996                                                                                                                                                                                                                                                          |
| DIN                                                            | Director Identification Number                                                                                                                                                                                                                                                  |
| DP                                                             | Depository Participant, as defined under the Depositories Act 1996                                                                                                                                                                                                              |
| DP ID                                                          | Depository Participant’s identification                                                                                                                                                                                                                                         |
| EBITDA                                                         | Earnings before Interest, Taxes, Depreciation and Amortization                                                                                                                                                                                                                  |
| ECS                                                            | Electronic Clearing System                                                                                                                                                                                                                                                      |
| EGM                                                            | Extra-ordinary General Meeting                                                                                                                                                                                                                                                  |

| Term                         | Description                                                                                                                                                                                                             |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| EMDEs                        | Emerging Markets and Developing Economies                                                                                                                                                                               |
| EPS                          | Earnings Per Share                                                                                                                                                                                                      |
| FCNR Account                 | Foreign Currency Non Resident Account                                                                                                                                                                                   |
| FDI                          | Foreign Direct Investment                                                                                                                                                                                               |
| FEMA                         | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder                                                                                                                                       |
| FEMA Regulations             | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017                                                                                                        |
| FIIIs                        | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FPIs                         | Foreign Portfolio Investors as defined under the SEBI FPI Regulations                                                                                                                                                   |
| FIPB                         | Foreign Investment Promotion Board                                                                                                                                                                                      |
| FVCI                         | Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations                                                                                                                             |
| FY / Fiscal / Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated                                                                                                                                 |
| GDP                          | Gross Domestic Product                                                                                                                                                                                                  |
| GoI/Government               | Government of India                                                                                                                                                                                                     |
| GST                          | Goods & Services Tax                                                                                                                                                                                                    |
| HNIs                         | High Networth Individuals                                                                                                                                                                                               |
| HUF                          | Hindu Undivided Family                                                                                                                                                                                                  |
| IAS Rules                    | Indian Accounting Standards, Rules 2015                                                                                                                                                                                 |
| ICAI                         | The Institute of Chartered Accountants of India                                                                                                                                                                         |
| ICSI                         | Institute of Company Secretaries of India                                                                                                                                                                               |
| IFRS                         | International Financial Reporting Standards                                                                                                                                                                             |
| IMF                          | International Monetary Fund                                                                                                                                                                                             |
| Indian GAAP                  | Generally Accepted Accounting Principles in India                                                                                                                                                                       |
| Ind AS                       | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015                                                           |
| I.T. Act                     | Income Tax Act, 1961, as amended from time to time                                                                                                                                                                      |
| IPO                          | Initial Public Offering                                                                                                                                                                                                 |
| IRDAI                        | Insurance Regulatory and Development Authority of India                                                                                                                                                                 |
| IRDAI Investment Regulations | Insurance Regulatory and Development Authority (Investment) Regulations, 2016                                                                                                                                           |
| ISIN                         | International Securities Identification Number                                                                                                                                                                          |
| ISO                          | International Organization for Standardization                                                                                                                                                                          |
| IST                          | Indian Standard Time                                                                                                                                                                                                    |
| I T Act                      | Income Tax Act, 1961, as amended from time to time                                                                                                                                                                      |
| KM / Km / km                 | Kilo Meter                                                                                                                                                                                                              |
| MCA                          | Ministry of Corporate Affairs, Government of India                                                                                                                                                                      |

| Term                          | Description                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Merchant Banker               | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992                                                                                                                                                                                                                                                                                                     |
| MoF                           | Ministry of Finance, Government of India                                                                                                                                                                                                                                                                                                                                                                             |
| MICR                          | Magnetic Ink Character Recognition                                                                                                                                                                                                                                                                                                                                                                                   |
| MOU                           | Memorandum of Understanding                                                                                                                                                                                                                                                                                                                                                                                          |
| NA / N. A.                    | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                       |
| NACH                          | National Automated Clearing House                                                                                                                                                                                                                                                                                                                                                                                    |
| NAV                           | Net Asset Value                                                                                                                                                                                                                                                                                                                                                                                                      |
| NBFC                          | Non Banking Financial Company                                                                                                                                                                                                                                                                                                                                                                                        |
| NECS                          | National Electronic Clearing Service                                                                                                                                                                                                                                                                                                                                                                                 |
| NEFT                          | National Electronic Fund Transfer                                                                                                                                                                                                                                                                                                                                                                                    |
| NOC                           | No Objection Certificate                                                                                                                                                                                                                                                                                                                                                                                             |
| NPCI                          | National Payments Corporation of India                                                                                                                                                                                                                                                                                                                                                                               |
| NRE Account                   | Non Resident External Account                                                                                                                                                                                                                                                                                                                                                                                        |
| NRIs                          | A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000                                                                                                                                                                                                             |
| NRO Account                   | Non Resident Ordinary Account                                                                                                                                                                                                                                                                                                                                                                                        |
| NSDL                          | National Securities Depository Limited                                                                                                                                                                                                                                                                                                                                                                               |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of 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 |
| p.a.                          | per annum                                                                                                                                                                                                                                                                                                                                                                                                            |
| P/E Ratio                     | Price/Earnings Ratio                                                                                                                                                                                                                                                                                                                                                                                                 |
| PAC                           | Persons Acting in Concert                                                                                                                                                                                                                                                                                                                                                                                            |
| PAN                           | Permanent Account Number                                                                                                                                                                                                                                                                                                                                                                                             |
| PAT                           | Profit After Tax                                                                                                                                                                                                                                                                                                                                                                                                     |
| PLR                           | Prime Lending Rate                                                                                                                                                                                                                                                                                                                                                                                                   |
| RBI                           | Reserve Bank of India                                                                                                                                                                                                                                                                                                                                                                                                |
| Regulation S                  | Regulation S under the U.S. Securities Act                                                                                                                                                                                                                                                                                                                                                                           |
| RoC                           | Registrar of Companies                                                                                                                                                                                                                                                                                                                                                                                               |
| ROE                           | Return on Equity                                                                                                                                                                                                                                                                                                                                                                                                     |
| RONW                          | Return on Net Worth                                                                                                                                                                                                                                                                                                                                                                                                  |
| Rupees / Rs. / ₹              | Rupees, the official currency of the Republic of India                                                                                                                                                                                                                                                                                                                                                               |
| RTGS                          | Real Time Gross Settlement                                                                                                                                                                                                                                                                                                                                                                                           |
| SCRA                          | Securities Contract (Regulation) Act, 1956, as amended from time to time                                                                                                                                                                                                                                                                                                                                             |
| SCRR                          | Securities Contracts (Regulation) Rules, 1957, as amended from time to time                                                                                                                                                                                                                                                                                                                                          |
| SEBI                          | Securities and Exchange Board of India                                                                                                                                                                                                                                                                                                                                                                               |

| Term                                                   | Description                                                                                                                                                                                |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SEBI Act                                               | Securities and Exchange Board of India Act, 1992 as amended                                                                                                                                |
| SEBI AIF Regulations                                   | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 as amended                                                                                        |
| SEBI FII Regulations                                   | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as amended                                                                                      |
| SEBI FPI Regulations                                   | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 as amended                                                                                          |
| SEBI FVCI Regulations                                  | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 as amended                                                                                     |
| SEBI ICDR Regulations                                  | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended                                                                         |
| SEBI LODR Regulations, 2015 / SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended                                                                      |
| SEBI SAST Regulations / Takeover Regulations           | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended                                                                      |
| SEBI VCF Regulations                                   | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended                                                       |
| Sec.                                                   | Section                                                                                                                                                                                    |
| Securities Act                                         | U.S. Securities Act of 1933, as amended                                                                                                                                                    |
| SICA                                                   | Sick Industrial Companies (Special Provisions) Act, 1985                                                                                                                                   |
| STT                                                    | Securities Transaction Tax                                                                                                                                                                 |
| Takeover Regulations                                   | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.                                                  |
| TAN                                                    | Tax deduction account number                                                                                                                                                               |
| TIN                                                    | Taxpayers Identification Number                                                                                                                                                            |
| TDS                                                    | Tax Deducted at Source                                                                                                                                                                     |
| UPI                                                    | Unified Payments Interface                                                                                                                                                                 |
| US/United States                                       | United States of America                                                                                                                                                                   |
| USD/ US\$/ \$                                          | United States Dollar, the official currency of the United States of America                                                                                                                |
| VAT                                                    | Value Added Tax                                                                                                                                                                            |
| VCF / Venture Capital Fund                             | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |

## **CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references to “India” contained in this Prospectus are to the Republic of India. In this Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### **Financial Data**

Unless stated otherwise, the financial data in this Prospectus are extracted from the Financial Statements, for the financial year ended March 31, 2020, 2019 and 2018 of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the chapter titled “*Financial Statements as Restated*” beginning on Page No. 97 this Prospectus. Our Financial Statements are derived from our audited financial statements prepared in accordance with Indian GAAP, the Companies Act, and have been restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI. Our Fiscal Year commences on April 1 and ends on March 31 of the next year. All references to a particular Fiscal are to the twelve (12) months period ended March 31st of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited. Any percentage amounts, as set forth in section titled “*Risk Factors*”, and chapters titled “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Financial Statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI as stated in the report of our Statutory and Peer Reviewed Auditor, set out in the chapter titled “*Financial Statements as Restated*” beginning on Page no. 97 of this Prospectus.

### **Currency, Units of Presentation and Exchange Rates**

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

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

### **Definitions**

For definitions, please refer the Chapter titled “*Definitions and Abbreviations*” on Page No. 1 of this Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on Page No. 146 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this 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 but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## **FORWARD-LOOKING STATEMENTS**

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

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Ceramic Tiles Industry in India where we have our businesses 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 and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility 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, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Ceramic Tiles Industry
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract unemployed youth;
- Our ability to retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks and
- Changes in consumer demand

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis Report*” beginning on Page No. 18, 81 and 100 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Prospectus. Our Company, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend 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 requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

## SECTION II - SUMMARY OF THE OFFER DOCUMENT

### SUMMARY OF BUSINESS

Our Company is engaged in the business of trading of vitrified tiles used primarily for flooring solutions. We commenced this business in year 2019, upon takeover of the business from the earlier promoters. Earlier to this the company was engaged in the business of trading of agro commodities.

### SUMMARY OF INDUSTRY

In CY19, India maintained its position as the second largest tile producer with an increase in volumes from 1,145 million sqm to 1,266 million sqm (+10.6%). The increase was not so much driven by domestic consumption, which grew by just 4% to 780 million sqm, as by a fresh surge in exports. The 20% growth in exports recorded in CY18 (274 million sqm) was followed by a further 31.4% increase in CY19 (360 million sqm), making India the world's third largest exporting country after China and Spain. It was a mixed year for the Indian tile industry with a see-saw in its fortunes. Tile offtake remained dismal in the initial months of the fiscal owing to pandemic-mandated lockdown, shaken consumer confidence and logistical challenges.

### OUR PROMOTER

Our Company is promoted by Mr. Chintan Nayan Bhai Rajyaguru

### SIZE OF THE ISSUE

|                                                                                                     |                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Equity Shares<sup>(1)</sup>:</b><br>Present Issue of Equity Shares by our Company <sup>(2)</sup> | 4,80,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per share aggregating ₹ 244.80 lakhs                                         |
| <b>Of which:</b>                                                                                    |                                                                                                                                                  |
| <b>Issue Reserved for the Market Maker</b>                                                          | 24,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per share aggregating ₹ 12.24 lakhs                                            |
| <b>Net Issue to the Public<sup>(3)</sup></b>                                                        | 4,56,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per share aggregating ₹ 232.56 lakhs                                         |
|                                                                                                     | <b>Of Which<sup>(3)</sup>:</b>                                                                                                                   |
|                                                                                                     | 2,28,000 Equity Shares of ₹ 10/- each at a price of ₹ 51/- per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs |
|                                                                                                     | 2,28,000 Equity Shares of ₹ 10/- each at a price of ₹ 51/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs |
| <b>Equity Shares outstanding prior to the Issue</b>                                                 | 10,40,000 Equity Shares of ₹ 10/- each                                                                                                           |
| <b>Equity Shares outstanding after the Issue</b>                                                    | 15,20,000 Equity Shares of ₹ 10/- each                                                                                                           |
| <b>Objects of the Issue</b>                                                                         | Please refer chapter titled “Objects of the Issue” beginning on Page No. 50 of this Prospectus                                                   |

### OBJECT OF THE ISSUE

We intend to utilize the Net Proceeds of the Issue (“Net Proceeds”) of ₹ 219.80 lakhs for financing the objects as set forth below:

(₹ in lakhs)

| Sr. No.      | Particulars                                             | Amount        | % of Net Proceeds |
|--------------|---------------------------------------------------------|---------------|-------------------|
| 1.           | Funding the working capital requirements of the company | 180.00        | 81.89             |
| 2.           | General Corporate Purposes                              | 39.80         | 18.11             |
| <b>Total</b> |                                                         | <b>219.80</b> | <b>100</b>        |

For further details pertaining to Object of Issue, kindly refer to the chapter titled “Object of the Issue” beginning on Page No. 50 of this Prospectus.

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

Set forth is the shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company:

| Category of Promoter                                | Pre Issue        |                                       | Post Issue       |                                        |
|-----------------------------------------------------|------------------|---------------------------------------|------------------|----------------------------------------|
|                                                     | No. of Shares    | % of Pre-Issue Equity Paid Up Capital | No. of Shares    | % of Post-Issue Equity Paid Up Capital |
| <b>Promoter</b>                                     |                  |                                       |                  |                                        |
| Mr. Chintan Nayan Bhai Rajyaguru                    | 9,76,000         | 93.85%                                | 9,76,000         | 64.21%                                 |
| <b>Total Promoter</b>                               | <b>9,76,000</b>  | <b>93.85%</b>                         | <b>9,76,000</b>  | <b>64.21%</b>                          |
| <b>Promoter Group</b>                               |                  |                                       |                  |                                        |
| Mrs. Ilaben Nayanbhai Rajyaguru                     | 24,000           | 2.31%                                 | 24,000           | 1.58%                                  |
| Mr. Nayankumar Labhshakar Rajyaguru                 | 8,000            | 0.77%                                 | 8,000            | 0.53%                                  |
| <b>Total Promoters &amp; Promoter Group Holding</b> | <b>32,000</b>    | <b>3.08%</b>                          | <b>32,000</b>    | <b>2.11%</b>                           |
| <b>Total Paid-up Equity share Capital</b>           | <b>10,08,000</b> | <b>96.92%</b>                         | <b>14,42,000</b> | <b>66.32%</b>                          |

## SUMMARY OF RESTATED FINANCIAL STATEMENT

(₹ in lakhs)

| Particulars                      | As on peiord ended on September 30, 2021 | For the year ended March 31, |         |        |
|----------------------------------|------------------------------------------|------------------------------|---------|--------|
|                                  |                                          | 2021                         | 2020    | 2019   |
| Share Capital                    | 5.00                                     | 5.00                         | 5.00    | 5.00   |
| Net Worth                        | 58.43                                    | 34.13                        | 7.17    | 14.42  |
| Total Revenue                    | 1,041.30                                 | 1,511.33                     | 712.77  | 935.64 |
| Profit after Tax                 | 24.30                                    | 26.96                        | (7.25)  | 9.76   |
| Basic & Diluted EPS (in ₹)       | 48.60                                    | 53.92                        | (14.50) | 19.52  |
| Net Asset Value Per Share (in ₹) | 116.86                                   | 68.26                        | 14.34   | 28.84  |
| Total borrowings                 | 17.62                                    | -                            | 80.65   | 45.15  |

There are no Auditor’s Qualifications in any of the Financial Statements of the Company.

## SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

| Name of Entity        | Criminal Proceedings | Actions by Regulatory Authorities | Tax Proceedings | Other Material Proceedings |
|-----------------------|----------------------|-----------------------------------|-----------------|----------------------------|
| By the Company        | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Company   | Nil                  | Nil                               | Nil             | Nil                        |
| By the Promoter       | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Promoter  | Nil                  | Nil                               | Nil             | Nil                        |
| By the Directors      | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Directors | Nil                  | Nil                               | Nil             | Nil                        |

|                          |     |     |     |     |
|--------------------------|-----|-----|-----|-----|
| By Group Companies       | Nil | Nil | Nil | Nil |
| Against Group Companies  | Nil | Nil | Nil | Nil |
| By the Subsidiaries      | Nil | Nil | Nil | Nil |
| Against the Subsidiaries | Nil | Nil | Nil | Nil |

Please refer chapter titled “*Outstanding litigations*” beginning on Page No. 108 of this Prospectus.

Investors should read chapter titled “*Risk Factors*” beginning on Page No. 18 of this Prospectus to get a more informed view before making any investment decisions.

## SUMMARY OF CONTINGENT LIABILITIES

There are no contingent liabilities recognized as indicated in our Restated Financial Statements and also certified by our statutory auditors. For further information, please refer Note in relation to “*Provisions and Contingent Liabilities*” under chapter titled “*Financial Statements*” beginning on Page No. 97 of this Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

(₹ in lakhs)

| Name of Related Party            | Nature of Relationship | Nature of Transaction  | Amount of transaction during the period ended September 30, 2021 | Amount of transaction during the year ended March |       |       |
|----------------------------------|------------------------|------------------------|------------------------------------------------------------------|---------------------------------------------------|-------|-------|
|                                  |                        |                        |                                                                  | 2021                                              | 2020  | 2019  |
| Mr. Shatrugna Patel              | Director*              | Director Remuneration  | -                                                                | -                                                 | -     | 1.80  |
|                                  |                        | Loan Taken             | -                                                                | -                                                 | 45.77 | 43.00 |
|                                  |                        | Loan Repaid            | -                                                                | 80.40                                             | 10.28 | -     |
|                                  |                        | Loan Given             | -                                                                | 28.96                                             | -     | -     |
|                                  |                        | Interest on Borrowings | -                                                                | -                                                 | -     | 0.10  |
| Mr. Chintan Nayan Bhai Rajyaguru | Director**             | Director Remuneration  | 9.00                                                             | 15.00                                             | -     | -     |
|                                  |                        | Loan Taken             | 7.20                                                             | -                                                 | -     | -     |
|                                  |                        | Loan Repaid            | 13.58                                                            | -                                                 | -     | -     |
| Ms. Foram Ajmeri                 | Company Secretary***   | Salary                 | 1.00                                                             | -                                                 | -     | -     |

\* Director upto April 1, 2021

\*\* Director w.e.f. May 24, 2021

\*\*\* Company Secretary w.e.f. June 1, 2021

There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoter of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Prospectus.

## COST OF ACQUISITION

The average cost of acquisition of Equity Shares by our Promoter is:

| Promoter and Promoter's Group    | Average Cost of Acquisition (in ₹) |
|----------------------------------|------------------------------------|
| Mr. Chintan Nayan Bhai Rajyaguru | 8.22                               |

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

Our Promoters have not acquired any shares in last one year.

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus except as mentioned in the chapter titled “Capital Structure” beginning on Page No. 42 of this Prospectus.

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

## **SECTION III – RISK FACTORS**

*Any investment in equity securities involves a high degree of risk. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with section titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 66 and 100 respectively, as well as the other financial and statistical information contained in this Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Consolidated Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act 2013 and SEBI (ICDR) Regulations. The risk factors have been determined on the basis of their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.*

### **1. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations**

In late calendar 2019, COVID-19, commonly known as “novel coronavirus” was first reported in Wuhan, China. Since then, the virus has progressively spread globally to many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorized the outbreak as a pandemic on March 11, 2020.

In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-days lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. However, during the initial stages of the lockdown our business operations were temporarily disrupted and we faced limited availability of drivers and customers.

Due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to ensure the safety of our workforce and continuity of operations while conforming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire our offices, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, offices, loss of life, injuries and impact the well-being of our employees. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organizations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. As on the date of this Prospectus, while we have started our operations post lockdown, there is significant uncertainty on the impact of COVID-19 on global and Indian economy and we may not be able to accurately predict its near term or long term impact on our business

## 2. Outstanding Litigations involving our Company and against our Promoters

| Name of Entity           | Criminal Proceedings | Actions by Regulatory Authorities | Tax Proceedings | Other Material Proceedings |
|--------------------------|----------------------|-----------------------------------|-----------------|----------------------------|
| By the Company           | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Company      | Nil                  | Nil                               | Nil             | Nil                        |
| By the Promoter          | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Promoter     | Nil                  | Nil                               | Nil             | Nil                        |
| By the Directors         | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Directors    | Nil                  | Nil                               | Nil             | Nil                        |
| By Group Companies       | Nil                  | Nil                               | Nil             | Nil                        |
| Against Group Companies  | Nil                  | Nil                               | Nil             | Nil                        |
| By the Subsidiaries      | Nil                  | Nil                               | Nil             | Nil                        |
| Against the Subsidiaries | Nil                  | Nil                               | Nil             | Nil                        |

## 3. Our ability to retain the customers is heavily dependent upon various factors including our reputation and our ability to provide variety of products. Any failure by us to retain or attract customers may impact its business and revenues.

We attempt to retain our position by maintaining quality and by our ability to improve and add value. This requires constant upgradation of variety of products. Further, we rely on a variety of advertising efforts tailored to target the client community, such as advertising through print and electronic media, outdoor media, below the line advertising activities such as distributing leaflets, displays, brochures, and ambient media, amongst others. Prospective customer gain awareness of our marketing efforts. An inferior quality product may lead to dis-satisfaction of our customer, which may adversely impact our business and revenues. Any failure by us to retain or attract clients may adversely impact our business and revenues.

## 4. While we are currently not subject to extensive Governmental regulation, any regulatory or legal framework introduced in the future may increase our compliance requirements and costs, which may adversely affect our business, results of operations and prospects. However to run our business, we require certain regulatory permits and approval to operate.

At present, the segments in which we operate are not subject to extensive Government regulation. While we are not in a position to predict the likelihood, timing or content of any such regulation or legislation, if any such regulation or legislation is notified, we may be affected in various ways. However, we require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained other permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

## 5. Our success depends largely on our senior management and our ability to attract and retain our key personnel.

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain “key man” life insurance for our Promoters, senior members of our management team or other key personnel.

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

We had a cash inflow from operating activities of ₹ (18.10) Lakhs, ₹ 80.05 Lakhs, ₹ (39.09) Lakhs and ₹ (40.47) Lakhs for the period ended on September 30, 2021, FY 2020-21, FY 2019-20 and FY 2018-19 respectively. Further, we had a cash inflow/ (outflow) from investing activities of ₹ 0.30 Lakhs for the period ended on September 30, 2021. We had a cash inflow/ (outflow) from financing activities ₹ 17.62 Lakhs, ₹ (80.65) Lakhs, ₹ 35.50 and ₹ 45.05 Lakhs for the period ended on September 30, 2021, FY 2020-21, FY 2019-20 and FY 2018-19 respectively. If we experience any cash outflow in the future, this could adversely affect our business prospects, financial condition and results of operations. For further information, see “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 97 and 100 respectively.

**7. *We depend on third parties for our logistics and transportation needs. Any disruptions in the same may adversely affect our operations, business, cash flows and financial condition.***

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation from our distribution centres to various stores. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage, shrinkage may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

**8. *Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations. Further any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.***

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

**9. *Any adverse change in regulatory requirements governing our products and the products of our customers, may adversely impact our business, prospects, results of operations and financial condition.***

Regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the laws governing the manufacturing of our products, imposition of additional duties by target markets or laws governing the real estate sector, may have an adverse impact on our operations. We may be required to alter our manufacturing and/or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. We cannot assure you that we will be able to comply with such changes or additional regulatory requirements. In the past there have been antidumping duties imposed by some of our target markets, which may impact our operations in such countries. For e.g., the Gulf Cooperation Council (GCC) has imposed anti-dumping duty on imports of ceramic tiles from India with effect from June 6, 2020. Further our products are mainly used in real estate sector which saw a downturn in past due to implementation of GST, RERA, etc. impacting our revenue of operations adversely.

**10. *We have not entered into any long term or definitive agreements with our dealers or customers. If our dealers or customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

We have not entered into any long term or definitive agreements with our dealers or customers, and instead rely on purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalization, and should such an amendment or cancellation take place, we may be unable to seek compensation for any surplus unpurchased products that we manufacture. Our customers do not, typically, place firm purchase orders until a short time before the products are required from us as a result of which, we do not hold a significant order book at any time, making it difficult for us to forecast revenue, production or sales. Consequently, there is no commitment on the part of the customer to continue to source their requirements

from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences.

Additionally, our customers have high and exacting standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

**11. *Our business is dependent on the performance of the real estate, infrastructure and other related industries where our products are utilized. Uncertainty regarding the real estate market, infrastructure sector, economic conditions and other factors beyond our control could adversely affect demand for our products, our costs of doing business and our financial performance.***

Our products are primarily used in the real estate, infrastructure and related sectors. Adverse conditions in or uncertainty about these markets, or the economy could adversely impact our endcustomers' confidence or financial condition, causing the reduction of demand for our products or delay purchasing or payment for those products. The performance of these sectors, and consequently the demand for our products in these sectors, are dependent on economic and other factors such as government policies, regulations and budgetary allocations as well as investments made in these industries and sectors. The financial performance of the end users of our products and any adverse developments that affect the tile industry and the real estate, infrastructure and related sectors where our products are used may adversely affect our business, results of operations and financial condition.

**12. *We operate in a significantly fragmented and competitive market and any failure on our part to compete effectively may adversely affect our business, results of operation and prospects.***

Competition in the ceramic tiles sector as a whole, is generally fragmented. We face significant competition from local or regional players and geographical markets in which we operate, and our success depends on our ability to ensure the continued quality, relevance and innovation of our products. We face competition from big players as they have better financial and other resources than we have, or may be able to develop more effective advertisement and marketing campaigns or better priced or more variety of products than us, which may enable them to compete against us more effectively for future business. These competitive factors may force us to reduce rates and/or increase spend in order to continue to attract new customers, and to pursue new market opportunities. Increased competition could result in reduced demand for our products, increased expenses, reduced margins and loss of market share. Failure to compete successfully against current or future competitors in each of our business segments could harm our business, operating cash flows and financial condition

**13. *Our success depends upon our Directors and the Key Managerial Personnel. Disassociation of our Directors or any failure to retain such key managerial personnel could have an adverse impact on our business, financial conditions and results of operations.***

Our success depends heavily on retaining the services of our directors and key management personnel. If any one or more of such personnel cease to work with us and we are unable to find suitable replacement personnel in a timely and cost efficient manner, our business may be disrupted and we may not be able to achieve our business objectives, including our ability to manage our rapid growth and successfully implement our strategic initiatives. In addition, we will need to hire more employees as we continue to implement our key strategy of building on our leading market position and expanding our business. Competition for qualified personnel in the areas in which we compete remains intense and the pool of qualified candidates is limited. Our inability to attract, hire and retain qualified staff on a cost efficient basis may have a material adverse effect on our business, prospects, financial condition, results of operations and ability to successfully implement our growth strategies.

**14. *There have been some instances of non-filing/ delays /incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

In the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC. Except as mentioned in this Prospectus, till date, there has been no penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

**15. *Our Company has granted loan to director during the year ended March 31, 2021 resulting into violation of the provisions of section 185 of Companies Act, 2013.***

The restated financials has been marked with a qualification as followed “The Company has granted loan to director during the year ended March 31, 2021 resulting into violation of the provisions of section 185 of Companies Act, 2013. However, the said violation doesn’t require adjustments in the Restated Financial Statements of the Company.” Further the said violation has been rectified as on date and company is in compliance with Section 185 of the act. However, till date we have not received any notice or penalty levied for such defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

**16. *Our profitability will suffer if we are not able to maintain our asset usage levels and pricing and control our costs***

Our profit margin, and therefore our profitability, is largely a function of our asset usage and the rates we are able to recover for our services. If we are not able to maintain the pricing for our services or appropriate asset usage, without corresponding cost reductions, our profitability will suffer. Our profitability is also a function of our ability to control our costs and improve our efficiency. As we increase the number of our employees and execute our strategies for growth, we may not be able to manage a significantly larger and more geographically diverse workforce, which could adversely affect our ability to control our costs or improve our efficiency.

**17. *We do not own the registered and corporate office from which we operate. Any dispute in relation to lease of our premises would have an adverse effect on our business and results of operations.***

We do not own the registered and corporate office from which we operate. The said offices are taken on rent and in case of non-renewal or termination of such rent agreement or renewal on such terms and conditions that are unfavourable to our Company, we may suffer disruption in our Operations which may adversely affect our financial conditions. For further details regarding our registered office, please refer to the Section titled “Our Business” on page 66 of this Prospectus. Any dispute arise in future may affect our business relation and our results of operation. Any failure to renew the said agreement could force us to procure new premises, including substantial time and cost of relocation or procure new premises. In addition, we may not be able to identify satisfactory new premises or may have to incur substantial additional costs towards those premises. Any of the aforesaid could have an adverse effect on our business, results of operation and financial condition.

**18. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue price.***

Our Promoter average cost of acquisition of Equity Shares in our Company could be lower than the Issue Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer chapter title “Capital Structure” and “Summary of Offer Document” beginning on page 42 and 14, respectively of this Prospectus.

**19. *Insufficient cash flows to meet required payments on our debts and working capital requirements could adversely affect our Company’s operations and financial results***

The business of our Company requires a significant amount of working capital to finance the payments for Man-power, day to day Expenses and term loans for establishment of office facilities, training centres and acquisition of equipment(s)/vehicles. The working capital requirements of our Company are also affected by the credit lines that our Company extends to its customers, in line with industry practice. Moreover, our Company may need to raise further term loans and working capital loans in the future to meet its capital expenditure and to satisfy its working capital requirements. There can be no assurance that our Company will continue to be successful in arranging adequate working capital and term loans for its existing or expanded operations on acceptable terms or at all, which could adversely affect our Company’s operations and financial results.

**20. *Our Company’s future success depends upon our ability to effectively implement our business and growth strategies, failing which, our growth and business may be adversely affected.***

Our Company’s success will depend substantially on our ability to effectively implement our business and growth strategies. Our Company may not be able to execute our strategies in a timely manner or within our budget estimates or be able to meet the expectations of our consumers and other stakeholders. We believe that our Company’s business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Any inability to manage our business and growth strategies may adversely affect our Company’s business, prospects, the results of operations and financial condition

**21. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.**

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally

**22. We will require additional capital to support the growth of our business, and this capital might not be available on reasonable terms or at all.**

To continue to effectively compete, we will require additional funds to support the growth of our business and allow us to invest in new products, offerings, and markets. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders may suffer significant dilution, and any new equity securities we issue may have rights, preferences, and privileges superior to those of existing stockholders. Certain of our existing debt instruments contain, and any debt financing we secure in the future could contain, restrictive covenants relating to our ability to incur additional indebtedness and other financial and operational matters that make it more difficult for us to obtain additional capital with which to pursue business opportunities. For example, our existing debt instruments contain significant restrictions on our ability to incur additional secured indebtedness. We may not be able to obtain additional financing on favorable terms, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when required, our ability to continue to support our business growth and to respond to business challenges and competition may be significantly limited.

**23. Our ability to pay dividend in the future will depend upon future earnings, financial conditions, cash flows, working capital and capital expenditure requirements.**

Our Company has not declared and paid dividend in the past. Our Company cannot give any assurance that dividend will be paid in future. The declaration and payment of any dividend in the future will be recommended by our Board of Directors, at their discretion, and will depend on a number of factors like our earnings, cash generated from operations, capital requirements and overall financial condition of our Company.

**24. We have and may in the future enter into related party transactions.**

We have in the course of our business entered into, and will continue to enter into, transactions with related parties. Our Company has entered into several related party transactions with our related parties. For more information regarding our related party transactions, please refer chapter titled “Financial Statements – Related Party Transactions” beginning on Page No. 97 of this Prospectus. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, the Companies Act, 2013 has brought into effect significant changes to the Indian Company law framework including specific compliance requirements such as obtaining prior approval from audit committee, board of directors and shareholders for certain related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our reputation, cash flows, business, results of operations and financial condition.

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

As per SEBI (ICDR) Regulations, appointment of monitoring agency is required only for Issue size above ₹100 crores. Hence, we have not appointed any 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.

**26. Our Promoters and Promoter Group will retain majority control over the Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval**

Upon completion of the Issue, our Promoters and Promoters Group will own 66.32% of the post-issue Equity Share capital of the Company. As a result, the Promoters and Promoters Group will have the ability to exercise significant influence over all matters requiring shareholder's approval, including the election of directors and approval of significant corporate transactions. The Promoters and Promoters Group will continue to have an effective veto power with respect to any shareholder action or approval requiring a majority vote. For further details of Promoter's shareholding, please refer to section titled "Capital Structure" beginning on page 42 of this Prospectus.

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

The proposed fund requirement, for funding purchase of equipment, marketing initiatives, primarily, as detailed in the section titled "*Objects of the Issue*" is to be 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 our future plans/strategy within the estimated time frame.

**28. *We are dependent on our Directors and key managerial personnel of our Company for success whose loss could seriously impair the ability to continue to manage and expand business efficiently***

Our Directors and key managerial personnel collectively have vast experience in the industry and are difficult to replace. They provide expertise, which enables us to make well informed decisions in relation to our business and our future prospects. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of our Directors and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Also, the loss of any of the management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability expand our business.

Further, our future performance will depend upon the skills, efforts, expertise, and continued services of these persons and our ability to attract and retain qualified senior and mid-level managers. The loss of their services or those of any other members of management could impair our ability to implement our strategy and may have a material adverse effect on our business, financial condition and results of operations. For further details of our Directors and key managerial personnel, please refer to section titled "Our Management" beginning on page 81 of this Prospectus.

**29. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For further details, please see the section titled "*Objects of the Issue*" beginning on page 50 of this Prospectus.

**30. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls.

**31. *Third party industry and statistical data in this Prospectus may be incomplete, incorrect or unreliable.***

Neither Lead Manager nor we have independently verified the data obtained from the official and industry publications and other sources referred in this Prospectus and therefore, while we believe them to be true, there can be no assurance that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. The discussion of matters relating to India, its economy and our industry in this Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. 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. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data or report and do not take responsibility for any errors or

omissions or for the results obtained from using their data or report. Accordingly, investors should not place undue reliance on, or base their investment decision on this information, please refer to section titled "Our Industry" beginning on page 59 of this Prospectus.

**32. *An inability to address changing industry standards and consumer trends may adversely affect our business, results of operations and financial condition.***

The future success of our business will depend in part on our ability to respond to technological advances, consumer preferences (including in designs) and emerging industry standards and practices in a cost effective and timely manner. The development and implementation of such new technology entails technical and business risks. We may have to incur substantial capital investment to maintain inventory of new products, we are subject to general risks associated with introduction and implementation of new products including the lack of market acceptance and delays in product development. Any rapid change in the expectations of our dealers and end customers in our business on account of changes in technology or introduction of new alternate products could adversely affect our business, results of operations and financial condition.

**33. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

**34. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition***

The market for our services is competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes such as quality of products, distribution network, skilled man power, pricing and timely delivery and quality of services. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector Issues their products at highly competitive prices which may not be matched by us and consequently affect our volume of revenue and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**RISK RELATING TO OBJECTS OF THE ISSUE**

**35. *The requirement of funds in relation to the objects of the Issue has not been appraised includes utilization for general corporate purposes and is based on management estimates. We may have to revise our management estimates from time to time and which may affect our funding requirements.***

We intend to use the net proceeds of the Issue for the funding purchase of equipment, marketing initiatives, primarily. The objects of the Issue have not been appraised by any bank or financial institution. These estimates are based on current conditions and requirements and are subject to changes in external circumstances or costs, or in other financial conditions, business or strategy, as discussed further below and are based on management estimates and planning. Based on the competitive nature of the industry, we may have to revise our management estimates and upgrade from time to time and consequently our funding requirements may also change. For details please refer the section titled "Objects of the Issue" beginning on Page No. 50 of this Prospectus

**36. *The deployment of funds to be raised from the present Issue of shares is at our discretion and no independent agency has been appointed to monitor its deployment.***

Deployment of funds proposed to be raised from the present Issue of shares towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds towards the object of the Issue will be monitored by our audit committee and our Company shall inform about material deviations in the utilization of Issue proceeds, if any, to the stock exchange and provide the details in the balance sheet about the same.

**37. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 16.26% of the Issue Proceed. As on date we have not identified the use of such funds.***

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 16.26% of the Issue Proceeds. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details please refer the section titled “Objects of the Issue” beginning on Page No. 50 of this Prospectus

## RISK RELATING TO EQUITY SHARES

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

Prior to the Issue, there has been no public market for 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. 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.

**39. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE Limited (BSE) in a timely manner or at all.***

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

**40. *Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other shareholders may adversely affect the trading price of the Equity Shares.***

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

**41. *There is no existing market for our Equity Shares and we cannot assure you that such a market will develop. The stock price may be volatile, and you may be unable to resell your shares at or above the Issue price or at all.***

Prior to this Offer, there has been no public market for our Equity Shares and an active trading market may not develop or be sustained upon the completion of this Offer. The Issue Price of the Equity Shares offered hereby may not be indicative of the market price of the Equity Shares after this Offer. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to among other factors:

1. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
2. Our ability to retain and hire key employees or maintain good relations with our workforce;
3. Impact of any reduction in revenue from our services or defects in our services;
4. Realization of Contingent Liabilities, if any;
5. Any disruption in ceramic tiles industry or strikes by our employees/drivers may affect our service capability;
6. Increased competition in industries/sector in which we operate;
7. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
8. Changes in laws and regulations relating to the Sectors in which we operate;
9. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;

10. Any adverse outcome in the legal proceedings in which we are/get involved;
11. Failure to obtain any applicable approvals, licenses, trademarks, registrations and permits in a timely manner;
12. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
13. Our inability to successfully diversify and timely market our service offerings may adversely affect our growth and negatively impact our profitability.

Even though a Market Maker has been appointed for our stock, since there has been no public market for our Company's Equity Shares, an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. The Issue price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Offer. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our Company's operating results, market conditions specific to the packaging sector in India, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

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

The Issue Price of our Equity Shares has been determined by the management and the Book Running Lead Manager on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. For further information please refer the chapter titled "Basis for Issue Price" beginning on Page No. 55 of this Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Amongst the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Changes in economic, legal and regulatory factors (both domestic and international) unrelated to our performance such as global recession, imposition of trade / non-trade barriers and sanctions etc.

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

Under the Income-tax Act, 1961, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India except any gain realized on the sale of shares on a Stock Exchange held for more than 12 months will not be subject to capital gains tax in India if the Securities Transaction Tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian Stock Exchange on which equity shares are sold. Any gain realized on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognized Stock Exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of shares on a Stock Exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, Section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October, 2004 shall be available only if the acquisition of share is chargeable to STT under Chapter VII of the Finance (No 2) Act, 2004. In this case, this provision becomes effective, sale shares acquired on or after 1st day of October, 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April, 2018 if the long term capital gains exceeds ₹1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April, 2018 in excess of ₹1,00,000/- p.a. shall be chargeable at the rate of 10%.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax

treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

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

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

Our financial statements, including the financial statements provided in this Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled “*Certain Conventions, Presentation of Financial, Industry and Market Data*” beginning on Page No. 12 of this Prospectus. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

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

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

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

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to chapter titled “*Key Industry Regulations and Policies*” beginning on Page No. 72 of this Prospectus for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences.

In the absence of any precedents on the subject, the application of these provisions is uncertain. The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

**47. *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 Ed-tech 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.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. 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.

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

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

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

India’s physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company’s normal business activity. Any deterioration of India’s physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company’s business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

**52. *Natural calamities could have a negative impact on the Indian economy and cause our Company's 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.

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

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

## SECTION IV – INTRODUCTION

### THE ISSUE

#### PRESENT ISSUE IN TERMS OF THIS PROSPECTUS:

|                                                                                                     |                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Equity Shares<sup>(1)</sup>:</b><br>Present Issue of Equity Shares by our Company <sup>(2)</sup> | 4,80,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per share aggregating ₹ 244.80 lakhs                                         |
| <b>Of which:</b>                                                                                    |                                                                                                                                                  |
| <b>Issue Reserved for the Market Maker</b>                                                          | 24,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per share aggregating ₹ 12.24 lakhs                                            |
| <b>Net Issue to the Public<sup>(3)</sup></b>                                                        | 4,56,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51/- per share aggregating ₹ 232.56 lakhs                                         |
|                                                                                                     | <b>Of Which<sup>(3)</sup>:</b>                                                                                                                   |
|                                                                                                     | 2,28,000 Equity Shares of ₹ 10/- each at a price of ₹ 51/- per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs |
|                                                                                                     | 2,28,000 Equity Shares of ₹ 10/- each at a price of ₹ 51/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs |
|                                                                                                     |                                                                                                                                                  |
| <b>Equity Shares outstanding prior to the Issue</b>                                                 | 10,40,000 Equity Shares of ₹ 10/- each                                                                                                           |
| <b>Equity Shares outstanding after the Issue</b>                                                    | 15,20,000 Equity Shares of ₹ 10/- each                                                                                                           |
| <b>Objects of the Issue</b>                                                                         | Please refer chapter titled “Objects of the Issue” beginning on Page No. 50 of this Prospectus                                                   |

<sup>(1)</sup> This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer the section titled “Issue Related Information” beginning on Page No. 121 of this Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated November 15, 2021 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on January 17, 2022.

<sup>(3)</sup> The allocation is the net issue to the public category shall be made as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
  - i. Individual applicants other than retail individual investors; and
  - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

The unsubscribed portion in either of the categories specified in clauses (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on Page No. 127 of this Prospectus.

## SUMMARY OF FINANCIAL INFORMATION

| Particulars                    | Page Nos.    |
|--------------------------------|--------------|
| Summary of Restated Financials | SF-1 to SF-3 |

## STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE - I  
(₹ In Lakhs)

| Sr. No.      | Particulars                                 | Annexure No. | As at September 30, 2021 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 |
|--------------|---------------------------------------------|--------------|--------------------------|----------------------|----------------------|----------------------|
|              | <b>EQUITY AND LIABILITIES</b>               |              |                          |                      |                      |                      |
| 1)           | <b>Shareholders Funds</b>                   |              |                          |                      |                      |                      |
|              | a. Share Capital                            | V            | 5.00                     | 5.00                 | 5.00                 | 5.00                 |
|              | b. Reserves & Surplus                       | VI           | 53.43                    | 29.13                | 2.17                 | 9.42                 |
| 3)           | <b>Current Liabilities</b>                  |              |                          |                      |                      |                      |
|              | a. Short Term Borrowings                    | VII          | 17.62                    | -                    | 80.65                | 45.15                |
|              | b. Trade Payables                           | VIII         |                          |                      |                      |                      |
|              | -Due to Micro, Small and Medium Enterprises |              | -                        | -                    | -                    | -                    |
|              | -Due to others                              |              | 1,064.58                 | 580.05               | 1,339.43             | 953.48               |
|              | c. Other Current liabilities                | IX           | 651.38                   | 15.55                | 4.12                 | 0.89                 |
|              | d. Short Term Provisions                    | X            | 16.18                    | 7.04                 | -0.14                | 3.36                 |
| <b>TOTAL</b> |                                             |              | <b>1,808.19</b>          | <b>636.77</b>        | <b>1,431.23</b>      | <b>1,017.30</b>      |
|              | <b>ASSETS</b>                               |              |                          |                      |                      |                      |
| 1)           | <b>Non Current Assets</b>                   |              |                          |                      |                      |                      |
|              | a. Deferred Tax Assets (net)                | XI           | 1.02                     | 0.15                 | 2.55                 | -                    |
|              | b. Long-term Loans & Advances               | XII          | 0.45                     | 0.65                 | 0.65                 | 0.65                 |
| 2)           | <b>Current Assets</b>                       |              |                          |                      |                      |                      |
|              | a. Inventories                              | XIII         | 45.23                    | -                    | 18.61                | 18.58                |
|              | b. Trade Receivables                        | XIV          | 1,727.06                 | 606.21               | 1,394.99             | 980.33               |
|              | c. Cash and Cash Equivalents                | XV           | 0.21                     | 0.66                 | 1.26                 | 4.85                 |
|              | d. Short term loan and advances             | XVI          | 34.22                    | 29.10                | 13.17                | 12.89                |
| <b>TOTAL</b> |                                             |              | <b>1,808.19</b>          | <b>636.77</b>        | <b>1,431.23</b>      | <b>1,017.30</b>      |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXIX)

For J Singh & Associates  
Chartered Accountants  
FRN - 110266W

For and on behalf of the Board of Directors  
of Dhyani Tile and Marblez Limited

CA Amitkumar Joshi  
Partner  
Mem No- 120022  
UDIN - 22120022AAAAAI1284

Place : Ahmedabad  
Date : January 23, 2022

Chintan Nayan Bhai Rajyaguru  
(Director)  
DIN - 08091654

Foram Ajmeri  
(Company Secretary)

Place : Ahmedabad  
Date : January 23, 2022

Ilaben Nayanbhai Rajyaguru  
(Director)  
DIN - 08091655

Alpaben Bhanubhai Thummar  
(Chief Financial Officer)

## STANDALONE STATEMENT OF PROFIT AND LOSS AS RESTATED

## ANNEXURE - II

(₹ In Lakhs)

| Sr. No.  | Particulars                                            | Annexure No. | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|----------|--------------------------------------------------------|--------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>A</b> | <b>INCOME</b>                                          |              |                                         |                                   |                                   |                                   |
|          | Revenue from Operations                                | XVII         | 1,041.27                                | 1,457.53                          | 712.77                            | 935.64                            |
|          | Other income                                           | XVIII        | 0.03                                    | 53.80                             | -                                 | -                                 |
|          | <b>Total Income (A)</b>                                |              | <b>1,041.30</b>                         | <b>1,511.33</b>                   | <b>712.77</b>                     | <b>935.64</b>                     |
| <b>B</b> | <b>EXPENDITURE</b>                                     |              |                                         |                                   |                                   |                                   |
|          | Purchase of stock-in-trade                             | XIX          | 1,034.96                                | 1,431.71                          | 718.35                            | 936.42                            |
|          | Changes in inventories of stock-in-trade               | XX           | (45.23)                                 | 18.61                             | (0.03)                            | (18.58)                           |
|          | Employee benefits expense                              | XXI          | 12.82                                   | 18.48                             | 2.26                              | 2.74                              |
|          | Finance costs                                          | XXII         | 0.29                                    | 0.29                              | 0.32                              | 0.27                              |
|          | Other expenses                                         | XXIII        | 7.09                                    | 5.71                              | 1.67                              | 1.60                              |
|          | <b>Total Expenses (B)</b>                              |              | <b>1,009.93</b>                         | <b>1,474.80</b>                   | <b>722.57</b>                     | <b>922.45</b>                     |
| <b>C</b> | <b>Profit before tax (A-B)</b>                         |              | <b>31.37</b>                            | <b>36.53</b>                      | <b>(9.80)</b>                     | <b>13.19</b>                      |
| <b>D</b> | <b>Tax Expense:</b>                                    |              |                                         |                                   |                                   |                                   |
|          | (i) Current tax                                        | XXVIII       | 7.94                                    | 7.17                              | -                                 | 3.36                              |
|          | (ii) Deferred tax                                      | XI           | (0.87)                                  | 2.40                              | (2.55)                            | 0.07                              |
|          | <b>Total Tax Expenses (D)</b>                          |              | <b>7.07</b>                             | <b>9.57</b>                       | <b>(2.55)</b>                     | <b>3.43</b>                       |
| <b>E</b> | <b>Profit for the year (C-D)</b>                       |              | <b>24.30</b>                            | <b>26.96</b>                      | <b>(7.25)</b>                     | <b>9.76</b>                       |
| <b>F</b> | <b>Earnings per share (Face value of ₹ 10/- each):</b> | XXVII        |                                         |                                   |                                   |                                   |
|          | i. Basic                                               |              | <b>48.60</b>                            | <b>53.92</b>                      | <b>(14.50)</b>                    | <b>19.52</b>                      |
|          | ii. Diluted                                            |              | <b>48.60</b>                            | <b>53.92</b>                      | <b>(14.50)</b>                    | <b>19.52</b>                      |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXIX)

For J Singh & Associates  
Chartered Accountants  
FRN - 110266W

For and on behalf of the Board of Directors of  
Dhyaani Tile and Marblez Limited

CA Amitkumar Joshi  
Partner  
Mem No- 120022  
UDIN - 22120022AAAAAI1284

Chintan Nayan Bhai Rajyaguru  
(Director)  
DIN - 08091654

Ilaben Nayanbhai Rajyaguru  
(Director)  
DIN - 08091655

Place : Ahmedabad  
Date : January 23, 2022

Foram Ajmeri  
(Company Secretary)

Alpaben Bhanubhai Thummar  
(Chief Financial Officer)

Place : Ahmedabad  
Date : January 23, 2022

## STANDALONE STATEMENT OF CASH FLOW AS RESTATED

## ANNEXURE - III

(₹ In Lakhs)

| Particulars                                                       | For the period<br>ended September<br>30, 2021 | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|-------------------------------------------------------------------|-----------------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Cash Flow From Operating Activities:</b>                       |                                               |                                      |                                      |                                      |
| Net Profit before tax as per Profit And Loss A/c                  | 31.37                                         | 36.53                                | (9.80)                               | 13.19                                |
| <b>Adjustments for:</b>                                           |                                               |                                      |                                      |                                      |
| Interest Income                                                   | (0.03)                                        | -                                    | -                                    | -                                    |
| Finance Cost                                                      | -                                             | -                                    | -                                    | 0.10                                 |
| Provision for Bad & Doubtful Debts                                | (0.25)                                        | (0.58)                               | -                                    | -                                    |
| <b>Operating Profit Before Working Capital Changes</b>            | <b>31.09</b>                                  | <b>35.95</b>                         | <b>(9.80)</b>                        | <b>13.29</b>                         |
| Adjusted for (Increase)/Decrease in operating assets              |                                               |                                      |                                      |                                      |
| Long-Term Loans and advances                                      | 0.20                                          | -                                    | -                                    | (0.20)                               |
| Inventories                                                       | (45.23)                                       | 18.61                                | (0.03)                               | (18.58)                              |
| Trade Receivables                                                 | (1,120.60)                                    | 789.36                               | (414.66)                             | (967.89)                             |
| Short Term Loans and advances                                     | (5.12)                                        | (15.93)                              | (0.28)                               | (12.80)                              |
| Other Current Assets                                              | -                                             | -                                    | -                                    | -                                    |
| Adjusted for Increase/(Decrease) in operating liabilities:        |                                               |                                      |                                      |                                      |
| Trade Payables                                                    | 484.53                                        | (759.38)                             | 385.95                               | 944.97                               |
| Other Current Liabilities                                         | 635.83                                        | 11.43                                | 3.23                                 | 0.74                                 |
| <b>Cash Generated From Operations Before Extra-Ordinary Items</b> | <b>(19.30)</b>                                | <b>80.04</b>                         | <b>(35.59)</b>                       | <b>(40.47)</b>                       |
| Net Income Tax paid/ refunded                                     | 1.20                                          | 0.01                                 | (3.50)                               | -                                    |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>     | <b>(18.10)</b>                                | <b>80.05</b>                         | <b>(39.09)</b>                       | <b>(40.47)</b>                       |
| Interest Income                                                   | 0.03                                          | -                                    | -                                    | -                                    |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>     | <b>0.03</b>                                   | <b>-</b>                             | <b>-</b>                             | <b>-</b>                             |
| <b>Cash Flow from Financing Activities:</b>                       |                                               |                                      |                                      |                                      |
| Finance Cost Paid                                                 | -                                             | -                                    | -                                    | (0.10)                               |
| Proceeds from borrowings                                          | 17.62                                         | (80.65)                              | 35.50                                | 45.15                                |
| <b>Net Cash Flow from/(used in) Financing Activities (C)</b>      | <b>17.62</b>                                  | <b>(80.65)</b>                       | <b>35.50</b>                         | <b>45.05</b>                         |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)        | (0.45)                                        | (0.60)                               | (3.59)                               | 4.58                                 |
| Cash & Cash Equivalents As At Beginning of the Year               | 0.66                                          | 1.26                                 | 4.85                                 | 0.27                                 |
| Cash & Cash Equivalents As At End of the Year                     | <b>0.21</b>                                   | <b>0.66</b>                          | <b>1.26</b>                          | <b>4.85</b>                          |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXIX)

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 J Singh & Associates**  
Chartered Accountants  
FRN - 110266W

**For and on behalf of the Board of Directors**  
**of Dhyani Tile and Marblez Limited**

CA Amitkumar Joshi  
Partner  
Mem No- 120022  
UDIN - 22120022AAAAA1284

Chintan Nayan Bhai Rajyaguru  
(Director)  
DIN - 08091654

Ilaben Nayanbhai Rajyaguru  
(Director)  
DIN - 08091655

Place : Ahmedabad  
Date : January 23, 2022

Foram Ajmeri  
(Company Secretary)

Alpaben Bhanubhai Thummar  
(Chief Financial Officer)

Place : Ahmedabad  
Date : January 23, 2022

## GENERAL INFORMATION

Our Company was incorporated as “Dhyani Enterprise Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 9, 2014 bearing Registration No. 081004 issued by the Registrar of Companies, Ahmedabad, Gujarat. Further, name of our company was changed to “Dhyaani Tile and Marblez Private Limited” vide special resolution dated October 14, 2021. A fresh certificate of incorporation consequent to change of name was issued to our Company by the Registrar of Companies, Ahmedabad on October 18, 2021. Further our Company was converted into a Public Limited Company and the name of our Company was changed to “Dhyaani Tile and Marblez Limited” vide special resolution dated October 22, 2021. A fresh certificate of incorporation consequent to conversion into public limited Company was issued to our Company by the Registrar of Companies, Ahmedabad on November 9, 2021. For further details, including change in our Registered Office, please refer the chapter “History and Certain Corporate Matters” beginning on Page No. 78 of this Prospectus.

### **REGISTERED OFFICE OF OUR COMPANY**

#### **DHYAANI TILE AND MARBLEZ LIMITED**

420, Times Square Arcade, Opp. Rambaug,

Thaltej-Shilaj Road,

Thaltej, Ahmedabad – 380059, Gujarat, India

**Tel:** 079-5100 5865

**Email:** [cs@dhyaaniinc.com](mailto:cs@dhyaaniinc.com)

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

**CIN:** U51900GJ2014PLC081004

### **REGISTRAR OF COMPANIES**

#### **REGISTRAR OF COMPANIES, AHMEDABAD, GUJARAT**

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad-380013, Gujarat.

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

### **DESIGNATED STOCK EXCHANGE**

#### **BSE LIMITED**

Phiroze Jeejeebhoy Towers, Dalal St,

Kala Ghoda, Fort, Mumbai,

Maharashtra – 400 001

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

### **BOARD OF DIRECTORS OF OUR COMPANY**

The following table sets out details regarding our Board as on the date of this Prospectus:

| Sr. No. | Name                                 | Age (In Years) | DIN      | Address                                                                                  | Designation                    |
|---------|--------------------------------------|----------------|----------|------------------------------------------------------------------------------------------|--------------------------------|
| 1.      | Mr. Chintan Nayan Bhai Rajyaguru     | 30             | 08091654 | C/804, Aaryan Embassy, Ambli Ring Road, Near Isckon Platinum, Ahmedabad Gujarat - 380058 | Chairman and Managing Director |
| 2.      | Mr. Nayankumar Labhshankar Rajyaguru | 61             | 08997548 | B-86, Vrajdharm Society, Kamalnagar, Ajwa Road, Vadodara, Gujarat – 390019, India        | Executive Director             |

| Sr. No. | Name                            | Age (In Years) | DIN      | Address                                                                                                        | Designation                        |
|---------|---------------------------------|----------------|----------|----------------------------------------------------------------------------------------------------------------|------------------------------------|
| 3.      | Mrs. Ilaben Nayanbhai Rajyaguru | 50             | 08091655 | B-86, Vrajdharm Society, Kamalnagar, Ajwa Road, Vadodara, Gujarat – 390019, India                              | Non-Executive Director             |
| 4.      | Mr. Paras Jivarajbhai Viramgama | 30             | 08637846 | 103 Landscape Apartment, Near Suncity Tower, Sadhu Vaswani Road, Off. University Road, Rajkot, Gujarat 360005. | Non-Executive Independent Director |
| 5.      | Mr. Vishal Kantibhai Sondagar   | 33             | 09354153 | A-11, Prasiddh Apartment, 3-4 Punit Nagar Road, Near Shyamal Cross Road, Ahmedabad.                            | Non-Executive Independent Director |

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 81 of this Prospectus.

## CHIEF FINANCIAL OFFICER

### MS. ALPA THUMMAR

420, Times Square Arcade, Opp. Rambaug,  
Thaltej-Shilaj Road,  
Thaltej, Ahmedabad – 380059, Gujarat, India

**Tel:** 079-4100 5865

**Email:** [cs@dhyaaniinc.com](mailto:cs@dhyaaniinc.com)

## COMPANY SECRETARY & COMPLIANCE OFFICER

### MS. FORAM AJMERI

420, Times Square Arcade, Opp. Rambaug,  
Thaltej-Shilaj Road,  
Thaltej, Ahmedabad – 380059, Gujarat, India

**Tel:** 079-4100 5865

**Email:** [cs@dhyaaniinc.com](mailto:cs@dhyaaniinc.com)

**Investors can contact the Company Secretary and Compliance Officer, the Lead Manager 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. For all the issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager or the Registrar in the following manner:**

All issue related grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant and ASBA Account number (for Applicants other than RIBs Applying through the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIBs applying through the UPI Mechanism

All issue related grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the Self Certified Syndicate Banks if the Application was submitted to a SCSBs at any of the Specified Locations, or the Registered Broker if the Application was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Applicant, Application Form number, address of the Applicant, Applicant’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Application Form, name and address of the SCSBs or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Application was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Application Amount was blocked.

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

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For all issue related queries and for redressal of complaints, Applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

## **STATUTORY AUDITOR & PEER REVIEW AUDITOR OF OUR COMPANY**

### **M/s J. Singh & Associates, Chartered Accountants**

505/506/507, Hubtown Viva, Fifth Floor,  
Shanskarwadi, Western Express Highway,  
Between Andheri & Jogeshwari (East),  
Mumbai - 400060

**Contact No.:** 9824947622

**Email:** amitleena30@hotmail.com

**Contact Person:** CA Amit Joshi

**Membership No.:** 120022

**Firm Registration No.:** 110266W

**Peer Review Certificate No.:** 009312

M/s J. Singh & Associates, Chartered Accountants hold a peer review certificate dated December 04, 2019 issued by the Institute of Chartered Accountants of India.

## **LEAD MANAGER(S)**

### **GYR CAPITAL ADVISORS PRIVATE LIMITED**

428, Gala Empire, Near JB Tower,  
Drive-In Road, Thaltej Ahmedabad - 380054

**Tel:** +91 – 82009 31018

**Email:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)

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

**Contact Person:** Ikshit Shah

**SEBI Registration No:** INM000012810

## **REGISTRAR TO THE ISSUE**

### **KFIN TECHNOLOGIES LIMITED**

(Formerly known as Kfin Technologies Private Limited)

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

**Tel:** +91-40-6716-2222

**Fax:** +91-40-2343-1551

**Email:** [dhyaani.ipo@kfintech.com](mailto:dhyaani.ipo@kfintech.com)

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

**Contact Person:** M Murali Krishna

**SEBI Registration Number:** INR000000221

**CIN:** U72400TG2017PTC117649

## LEGAL ADVISOR TO THE ISSUE

**T&S LAW,**

Near VVIP Mall, Raj Nagar Extension,

Ghaziabad – 201 017,

Uttar Pradesh, India

**Tel:** 959 922 9770

**E-mail:** [info.tandslaw@gmail.com](mailto:info.tandslaw@gmail.com) [mailto:manishsoni@gmail.com](mailto:mailto:manishsoni@gmail.com)

## BANKER TO THE COMPANY

**HDFC Bank Limited**

GF- 17, 18, Times Square 2, Near Avalon Hotel,

Sindhuhavan Road, Ahmedabad -380054

**Tel:** 9586682682

**Facsimile:** N.A.

**Email:** [maulik.hakani@hdfcbank.com](mailto:maulik.hakani@hdfcbank.com)

**Contact person:** Maulik Hakani

## SPONSOR BANK/PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER

**ICICI Bank Limited**

Capital Market Division, 1st Floor, 122, Mistry Bhavan,

Dinshaw Vacha Road, Backbay Reclamation,

Churchgate, Mumbai – 400 020

**Tel:** +91 022 6681 8923 / 924 / 932

**Facsimile:** +91 022 2261 1138

**Email:** [sagar.welekar@icicibank.com](mailto:sagar.welekar@icicibank.com)

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

**Contact Person:** Sagar Welekar

**SEBI Reg. No.:** INBI00000004

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

A list of the Designated SCSB Branches with which an ASBA Applicants (other than an RII using the UPI Mechanism), not Applying through a Registered Broker, may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Applicants (other than RIIs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

## **Investors Banks or Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

## **Registered Brokers**

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## **Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## **Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

## **CREDIT RATING**

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

## **IPO GRADING**

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

## **APPRAISAL AGENCY & MONITORING AGENCY**

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size, is below ₹ 10,000 Lakhs. Since the Issue size is only of ₹ 244.80 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue. Further, our Company has not appointed any appraisal agency for this Issue.

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

Since GYR Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter-se allocation of responsibilities among Lead Manager is not applicable.

## **EXPERT OPINION**

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated Standalone financials for the yearended March 31, 2021, 2020 and 2019 as included in this Prospectus, our Company has not obtained any expert opinion.

## **DEBENTURE TRUSTEE**

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

## **FILING OF OFFER DOCUMENT**

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number

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

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad, Gujarat – 380013, India.

## ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

| Event                                                                 | Indicative Date                      |
|-----------------------------------------------------------------------|--------------------------------------|
| Issue Opening Date                                                    | Wednesday, March 30, 2022            |
| Issue Closing Date                                                    | Monday, April 04, 2022               |
| Finalization of Basis of Allotment with the Designated Stock Exchange | Thursday, April 07, 2022             |
| Unblocking of funds from ASBA Accounts                                | On or before Friday, April 08, 2022  |
| Credit of Equity Shares to demat accounts of Allottees                | On or before Monday, April 11, 2022  |
| Commencement of trading of the Equity Shares on the Stock Exchange    | On or before Tuesday, April 12, 2022 |

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, 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.

Application and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicant after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their Application at any stage. Non-Retail Applicants may revise their Applications upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular Applicants, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

## UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated March 02, 2022 and pursuant to the terms of the underwriting agreement; obligations of the underwriter is subject to certain conditions specified therein. The underwriter have indicated their intention to underwrite following number of specified securities being offered through this Issue.

| Name and Address of the Underwriter  | Indicative Number of Equity Shares to be Underwritten* | Amount Underwritten (Rupees in Lakhs) | % of the Total Issue size Underwritten |
|--------------------------------------|--------------------------------------------------------|---------------------------------------|----------------------------------------|
| GYR Capital Advisors Private Limited | 4,80,000                                               | 244.80                                | 100%                                   |
| <b>Total</b>                         | <b>4,80,000</b>                                        | <b>244.80</b>                         | <b>100.00%</b>                         |

*\*Includes 24,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

## CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below there has been no change in the Auditors in last three financial years preceding the date of this Prospectus.

| Sr. No. | Name of Auditors                                                                                                                                                                                                                                                                                                                                                                                                                                       | Date of change    | Reason                                                            |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------------------------|
| 1.      | <b>M/s J. Singh &amp; Associates, Chartered Accountants</b><br>505/506/507, Hubtown Viva, Fifth Floor,<br>Shanskarwadi, Western Express Highway,<br>Between Andheri & Jogeshwari (East),<br>Mumbai - 400060<br><b>Contact No.:</b> 9824947622<br><b>Email:</b> amitleena30@hotmail.com<br><b>Contact Person:</b> CA Amit Joshi<br><b>Membership No.:</b> 120022<br><b>Firm Registration No.:</b> 110266W<br><b>Peer Review Certificate No.:</b> 009312 | December 30, 2020 | Appointment as Statutory and Peer Review Auditors of our Company. |
| 2.      | <b>M/s Amit J Joshi, Chartered Accountants</b><br>127, Sardar Patel Colony, Nr. ICAI Bhawan,<br>Stadium Road, Post Navjivan, Naranpura,<br>Ahmedabad – 380014, Gujarat, India<br><b>Contact No.:</b> 9824947622<br><b>Email:</b> amitleena30@hotmail.com<br><b>Contact Person:</b> CA Amit Joshi<br><b>Membership No.:</b> 120022                                                                                                                      | December 01, 2020 | Resignation of Auditor                                            |

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager have entered into an agreement dated March 02, 2022, with the following Market Maker, duly registered with BSE Limited to fulfil the obligations of Market Making.

### **Giriraj Stock Broking Private Limited**

HMP House, 4<sup>th</sup> Floor, Suite No. 421A,

4, Fairlie Place, Kolkata, West Bengal – 700 001.

**Tel:** 033-4005-4519

**Email:** [girirajstock@yahoo.com](mailto:girirajstock@yahoo.com)

**Website:** N.A.

**Contact Person:** Mr. Vinay Jajodia

**SEBI Registration Number:** SMMM0655127012022

Giriraj Stock Broker Private Limited, registered with BSE 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 BSE 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 (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE Limited and SEBI from time to time.
3. 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 (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 51/- the minimum lot size is 2,000 Equity Shares thus minimum depth of the quote shall be ₹ 1.02 lakhs until the same, would be revised by BSE Limited.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 24,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Giriraj Stock Broking Private Limited is acting as the sole Market Maker.
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. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.
9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars.
10. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the SME Platform.

| No. | Market Price Slab (In ₹) | Proposed spread<br>(in % to sale price) |
|-----|--------------------------|-----------------------------------------|
| 1   | Upto 50                  | 9                                       |
| 2   | 50 to 75                 | 8                                       |
| 3   | 75 to 100                | 6                                       |
| 4   | Above 100                | 5                                       |

11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior

approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
13. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
14. BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
15. BSE 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.
16. 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.
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the 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 to ₹ 80 crore       | 15%                                                                                           | 14%                                                                                              |
| Above ₹ 80 crore         | 12%                                                                                           | 11%                                                                                              |

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

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

## CAPITAL STRUCTURE

The Equity Share capital of the Company as on the date of this Prospectus is set forth below:

(₹ in lakhs, except share data)

| Sr. No. | Particulars                                                                                                                         | Aggregate value at face value | Aggregate value at Issue Price <sup>(1)</sup> |
|---------|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------------------|
| A.      | <b>Authorised Share Capital:</b>                                                                                                    |                               |                                               |
|         | 16,00,000 Equity Shares of face value of ₹ 10/- each <sup>(2)</sup>                                                                 | 160.00                        | -                                             |
| B.      | <b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>                                                                |                               |                                               |
|         | 10,40,000 Equity Shares of face value of ₹ 10/- each                                                                                | 104.00                        | -                                             |
| C.      | <b>Present Issue in terms of this Prospectus<sup>(3)</sup></b>                                                                      |                               |                                               |
|         | Issue of 4,80,000 Equity Shares of face value of ₹ 10/- each                                                                        | 48.00                         | 244.80                                        |
|         | <b>Which comprises:</b>                                                                                                             |                               |                                               |
|         | 24,000 Equity Shares of ₹ 10/- each at a price of ₹ 51/- per Equity Share reserved as Market Maker Portion                          | 2.40                          | 12.24                                         |
|         | Net Issue to Public of 4,56,000 Equity Shares of ₹ 10/- each at a price of ₹ 51/- per Equity Share to the Public                    | 45.60                         | 232.56                                        |
|         | <b>Of which<sup>(4)</sup>:</b>                                                                                                      |                               |                                               |
|         | Retail Portion of not less than 50% of the Net Issue aggregating to not less than 2,28,000 Equity Shares of ₹ 10/- each.            | 22.80                         | 116.28                                        |
|         | Non-Institutional Portion of not less than 50% of the Net Issue aggregating to not more than 2,28,000 Equity Shares of ₹ 10/- each. | 22.80                         | 116.28                                        |
| D.      | <b>Paid-up Share Capital after the Issue</b>                                                                                        |                               |                                               |
|         | 15,20,000 Equity Shares of face value of ₹ 10/- each                                                                                | 152.00                        |                                               |
| E.      | <b>Securities Premium Account</b>                                                                                                   |                               |                                               |
|         | Before the Issue                                                                                                                    |                               | -                                             |
|         | After the Issue                                                                                                                     | 196.80                        |                                               |

<sup>(1)</sup>To be finalized upon determination of the Issue Price.

<sup>(2)</sup>For details in relation to the changes in the authorised share capital of our Company, please refer "History and Certain Corporate Matters" beginning on page no. 78 of this Prospectus.

<sup>(3)</sup>The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on November 15, 2021, and by our Shareholders pursuant to Special Resolution passed at EGM held on January 17, 2022.

<sup>(4)</sup>The 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 Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

Our Company has no outstanding convertible instruments as on the date of this Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1) Details of changes in authorised share capital

Since the Incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

| Particulars of Change                                                                                                                    |                                                                   | Date of Shareholder's Meeting | AGM/E GM |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------|----------|
| Increased From                                                                                                                           | Increased To                                                      |                               |          |
| The authorised share capital of our Company on incorporation comprised of ₹ 5,00,000/- divided into 50,000 Equity Shares of ₹ 10/- each. |                                                                   | On Inroportion                | -        |
| ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10/- each                                                                              | ₹ 1,60,00,000 divided into 16,00,000 Equity Shares of ₹ 10/- each | August 12, 2021               | EGM      |

## 2) History of Equity Share Capital of our Company:

Our Company has made allotments of Equity Shares from time to time.

The following is the Equity Share Capital Build-up of our Company:

| Date of Allotment of Equity Shares | No. of Equity Shares | Face Value (in ₹) | Issue Price (in ₹) | Nature / Reason of Allotment | Nature of Consideration | Cumulative No. of Equity Shares | Cumulative Paid Up Share Capital (in ₹) | Cumulative Share Premium (₹ in Lakhs) |
|------------------------------------|----------------------|-------------------|--------------------|------------------------------|-------------------------|---------------------------------|-----------------------------------------|---------------------------------------|
| Upon Incorporation <sup>(1)</sup>  | 50,000               | 10                | 10                 | Subscription to MOA          | Cash                    | 50,000                          | 5,00,000                                | Nil                                   |
| October 06, 2021 <sup>(2)</sup>    | 80,000               | 10                | 95                 | Private Placement            | Cash                    | 1,30,000                        | 13,00,000                               | 68,00,000                             |
| January 13, 2022 <sup>(3)</sup>    | 9,10,000             | 10                | NA                 | Bonus Issue                  | Other than Cash         | 10,40,000                       | 1,04,00,000                             | Nil                                   |

<sup>(1)</sup> Initial Subscription to the MOA of 50,000 Equity Shares having Face Value of ₹ 10/- each as mentioned below:

| Sr. No. | Name                            | No. of Shares |
|---------|---------------------------------|---------------|
| 1       | Mr. Manshukhlal Ishvarlal Patel | 25,000        |
| 2       | Mr. Dhanpal Manshukhlal Patel   | 25,000        |

<sup>(2)</sup> Pursuant to Board Meeting held on September 06, 2021, our Company has allotted 80,000 Equity Shares having Face Value of ₹ 10/- each as mentioned below:

| Sr. No. | Name                             | No. of Shares |
|---------|----------------------------------|---------------|
| 1       | Mr. Chintan Nayan Bhai Rajyaguru | 80,000        |

<sup>(3)</sup> Pursuant to Board Meeting held on January 13, 2022, our Company has allotted 9,10,000 Bonus Equity Shares having Face Value of ₹ 10/- each as mentioned below:

| Sr. No. | Name                                | No. of Shares |
|---------|-------------------------------------|---------------|
| 1       | Mr. Chintan Nayan Bhai Rajyaguru    | 8,54,000      |
| 2       | Mrs. Ilaben Nayanbhai Rajyaguru     | 21,000        |
| 3       | Mr. Nayankumar Labhshakar Rajyaguru | 7,000         |
| 4       | Mr. Chirag Ashokbhai Mehta          | 7,000         |
| 5       | Mr. Gajendrasinh Bhikhubha Zala     | 7,000         |
| 6       | Mr. Rajnikant Chandulal Shukla      | 7,000         |
| 7       | Mrs. Sarojben Rajnikant Shukla      | 7,000         |

3) Our Company has not issued Equity Shares for consideration other than cash except as mentioned below:

| Date of Allotment of Equity Shares | No. of Equity Shares | Face Value (in ₹) | Nature / Reason of Allotment | Allottees                        | No. of Equity Shares allotted | Benefits accrued to our Company |
|------------------------------------|----------------------|-------------------|------------------------------|----------------------------------|-------------------------------|---------------------------------|
| January 13, 2022                   | 9,10,000             | 10                | Bonus Issue                  | Mr. Chintan Nayan Bhai Rajyaguru | 8,54,000                      | Capitalization of reserves      |
|                                    |                      |                   |                              | Mrs. Ilaben Nayanbhai            | 21,000                        |                                 |

|  |  |  |  |                                                  |       |  |
|--|--|--|--|--------------------------------------------------|-------|--|
|  |  |  |  | Rajyaguru                                        |       |  |
|  |  |  |  | Mr.           Nayankumar<br>Labhshakar Rajyaguru | 7,000 |  |
|  |  |  |  | Mr.   Chirag   Ashokbhai<br>Mehta                | 7,000 |  |
|  |  |  |  | Mr.           Gajendrasinh<br>Bhikhubha Zala     | 7,000 |  |
|  |  |  |  | Mr. Rajnikant Chandulal<br>Shukla                | 7,000 |  |
|  |  |  |  | Mrs. Sarojben Rajnikant<br>Shukla                | 7,000 |  |

- 4) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.
- 5) Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- 6) No Bonus shares have been issued out of Revaluation Reserves.
- 7) No equity shares have been issued at a price lower than the Issue Price within the last one year from the date of this Prospectus.

8) The following is the shareholding pattern of the Company as on the date of this Prospectus:

| Category (I) | Category of Share- holder (II) | No. of Share-holder (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares Underlying Depository Receipts (VI) | Total Nos. Shares held (VII) = (IV) + (V) + (VI) | Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2) | Number of Voting Rights held in each Class of securities (IX) |        |           |                          | No of Underlying Outstanding Convertible securities (incl. Warrants) (X) | Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2) | Number of Locked In shares (XII) |                                 | No. of shares Pledged Or Otherwise encumbered (XIII) |                                  | No. of Equity shares held in Demat form (XIV) |
|--------------|--------------------------------|---------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------|-----------|--------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|------------------------------------------------------|----------------------------------|-----------------------------------------------|
|              |                                |                           |                                              |                                              |                                                   |                                                  |                                                                                                    | No of voting Right                                            |        |           | Total As a % of (A+B+C ) |                                                                          |                                                                                                                              | No (a)                           | As a %of total share s held (b) | No (a)                                               | As a % of total share s held (b) |                                               |
|              |                                |                           |                                              |                                              |                                                   |                                                  |                                                                                                    | Class Equity                                                  | Clas s | Total     |                          |                                                                          |                                                                                                                              |                                  |                                 |                                                      |                                  |                                               |
| A            | Promoters & Promoter Group     | 3                         | 10,08,000                                    | -                                            | -                                                 | 10,08,000                                        | 96.92                                                                                              | 10,08,000                                                     | -      | 10,08,000 | 96.92                    | -                                                                        | 96.92                                                                                                                        | 10,08,000                        | 100                             | -                                                    | -                                | 10,08,000                                     |
| B            | Public                         | 4                         | 32,000                                       | -                                            | -                                                 | 32,000                                           | 3.08                                                                                               | 32,000                                                        | -      | 32,000    | 3.08                     | -                                                                        | 3.08                                                                                                                         | 32,000                           | 100                             | -                                                    | -                                | 32,000                                        |
| C            | Non Promoter Non Public        | -                         | -                                            | -                                            | -                                                 | -                                                | -                                                                                                  | -                                                             | -      | -         | -                        | -                                                                        | -                                                                                                                            | -                                | -                               | -                                                    | -                                | -                                             |
| C1           | Shares Underlyin g DRs         | -                         | -                                            | -                                            | -                                                 | -                                                | -                                                                                                  | -                                                             | -      | -         | -                        | -                                                                        | -                                                                                                                            | -                                | -                               | -                                                    | -                                | -                                             |
| C2           | Shares held by Employee Trusts | -                         | -                                            | -                                            | -                                                 | -                                                | -                                                                                                  | -                                                             | -      | -         | -                        | -                                                                        | -                                                                                                                            | -                                | -                               | -                                                    | -                                | -                                             |
|              | Total                          | 7                         | 10,40,000                                    | -                                            | -                                                 | 10,40,000                                        | 100                                                                                                | 10,40,000                                                     | -      | 10,40,000 | 100                      | -                                                                        | 100                                                                                                                          | 10,40,000                        | 100                             | -                                                    | -                                | 10,40,000                                     |

- i. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Prospectus are:

| Sr. No.      | Particulars                      | No. of Shares    | % of Shares to Pre – Issue Equity Share Capital |
|--------------|----------------------------------|------------------|-------------------------------------------------|
| 1.           | Mr. Chintan Nayan Bhai Rajyaguru | 9,76,000         | 93.85%                                          |
| 2.           | Mrs. Ilaben Nayanbhai Rajyaguru  | 24,000           | 2.31%                                           |
| <b>Total</b> |                                  | <b>10,00,000</b> | <b>100.00%</b>                                  |

- ii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior to date of this Prospectus are:

| Sr. No.      | Particulars                      | No. of Shares    | % of Shares to Pre – Issue Equity Share Capital |
|--------------|----------------------------------|------------------|-------------------------------------------------|
| 1.           | Mr. Chintan Nayan Bhai Rajyaguru | 9,76,000         | 93.85%                                          |
| 2.           | Mrs. Ilaben Nayanbhai Rajyaguru  | 24,000           | 2.31%                                           |
| <b>Total</b> |                                  | <b>10,00,000</b> | <b>100.00%</b>                                  |

- iii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to date of this Prospectus are:

| Sr. No.      | Particulars                      | No. of Shares | % of Shares to Pre – Issue Equity Share Capital |
|--------------|----------------------------------|---------------|-------------------------------------------------|
| 1.           | Mr. Chintan Nayan Bhai Rajyaguru | 42,000        | 84.00%                                          |
| 2.           | Mrs. Ilaben Nayanbhai Rajyaguru  | 8,000         | 16.00%                                          |
| <b>Total</b> |                                  | <b>50,000</b> | <b>100.00%</b>                                  |

- iv. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to date of this Prospectus are:

| Sr. No.      | Particulars                     | No. of Shares | % of Shares to Pre – Issue Share Capital |
|--------------|---------------------------------|---------------|------------------------------------------|
| 1.           | Mr. Shatrugna Chaaganbhai Patel | 25,000        | 50.00%                                   |
| 2.           | Mr. Kirtikumar Mathurbhai Patel | 25,000        | 50.00%                                   |
| <b>Total</b> |                                 | <b>50,000</b> | <b>100.00%</b>                           |

- 9) Except as disclosed in this Prospectus, our Company does not have any intention or proposal to alter our capital structure within a period of 6 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 (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise.

## 10) Shareholding of our Promoter

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

| Date of Allotment / Transfer | No. of Shares | F.V (₹) | Issue / Transfer Price (₹) | Nature of Transaction                         | Consideration | % of Pre-Issue Equity Paid Up Capital | % of Post-Issue Equity Paid Up Capital |
|------------------------------|---------------|---------|----------------------------|-----------------------------------------------|---------------|---------------------------------------|----------------------------------------|
| May 25, 2020                 | 25,000        | 10      | 10                         | Transfer from Mr. Kirtikumar Mathurbhai Patel | Cash          | 2.40%                                 | 1.64%                                  |
|                              | 17,000        | 10      | 10                         | Transfer from Mr. Shatrugna Chaaganbhai Patel |               | 1.63%                                 | 1.12%                                  |
| October 06,                  | 80,000        | 10      | 95                         | Further Allotment                             | Cash          | 7.69%                                 | 5.26%                                  |

|                  |                 |    |   |       |                 |               |               |
|------------------|-----------------|----|---|-------|-----------------|---------------|---------------|
| 2021             |                 |    |   |       |                 |               |               |
| January 13, 2022 | 8,54,000        | 10 | - | Bonus | Other than cash | 82.15%        | 56.18%        |
| <b>Total</b>     | <b>9,76,000</b> |    |   |       |                 | <b>93.85%</b> | <b>64.21%</b> |

## 11) Promoter's Contribution and other Lock-In details:

### i. Details of Promoter's Contribution locked-in for 3 years:

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

| Name of Promoters                | No. of Shares locked in | As a % of Post Issue Share Capital |
|----------------------------------|-------------------------|------------------------------------|
| Mr. Chintan Nayan Bhai Rajyaguru | 3,04,000                | 20%                                |

We confirm that in compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoters contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

**We further confirm that our Promoter's Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.**

### ii. Details of Shares locked-in for one year

- Pursuant to Regulation 238(b) of the SEBI (ICDR) Regulations, in addition to the Promoter's Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters / Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

## Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please refer Note no. 10 of "Capital Structure" on Page No. 42 of this Prospectus.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

## 12) Pre-Issue and Post Issue Shareholding of our Promoters and Promoter' Group:

- Set forth is the shareholding of our Promoters and Promoter Group before and after the proposed Issue:

| Category of Promoter                                | Pre Issue        |                                       | Post Issue       |                                        |
|-----------------------------------------------------|------------------|---------------------------------------|------------------|----------------------------------------|
|                                                     | No. of Shares    | % of Pre-Issue Equity Paid Up Capital | No. of Shares    | % of Post-Issue Equity Paid Up Capital |
| <b>Promoter</b>                                     |                  |                                       |                  |                                        |
| Mr. Chintan Nayan Bhai Rajyaguru                    | 9,76,000         | 93.85%                                | 9,76,000         | 64.21%                                 |
| <b>Total Promoter</b>                               | <b>9,76,000</b>  | <b>93.85%</b>                         | <b>9,76,000</b>  | <b>64.21%</b>                          |
| <b>Promoter Group</b>                               |                  |                                       |                  |                                        |
| Mrs. Ilaben Nayanbhai Rajyaguru                     | 24,000           | 2.31%                                 | 24,000           | 1.58%                                  |
| Mr. Nayankumar Labhshakar Rajyaguru                 | 8,000            | 0.77%                                 | 8,000            | 0.53%                                  |
| <b>Total Promoters &amp; Promoter Group Holding</b> | <b>32,000</b>    | <b>3.08%</b>                          | <b>32,000</b>    | <b>2.11%</b>                           |
| <b>Total Paid-up Equity share Capital</b>           | <b>10,08,000</b> | <b>96.92%</b>                         | <b>10,08,000</b> | <b>66.32%</b>                          |

- Except mentioned below, none of the Promoters, members of the Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Prospectus.

| Date of Allotment/transfer | Name of Allottee/Transferee         | Party Category | Number of Shares Allotted/Transferred | Face Value | Issue Price/Transfer Price | Reason of Allotment/Transfer |
|----------------------------|-------------------------------------|----------------|---------------------------------------|------------|----------------------------|------------------------------|
| October 06, 2021           | Mr. Chintan Nayan Bhai Rajyaguru    | Promoter       | 80,000                                | 10         | 95                         | Preferential Allotment       |
| October 18, 2021           | Mrs. Ilaben Nayanbhai Rajyaguru     | Promoter Group | (5,000)                               | 10         | 10                         | Transfer                     |
| January 13, 2022           | Mr. Chintan Nayan Bhai Rajyaguru    | Promoter       | 8,54,000                              | 10         | NA                         | Bonus Issue                  |
|                            | Mrs. Ilaben Nayanbhai Rajyaguru     | Promoter Group | 21,000                                |            |                            |                              |
|                            | Mr. Nayankumar Labhshakar Rajyaguru | Promoter Group | 7,000                                 |            |                            |                              |
|                            | Mr. Chirag Ashokbhai Mehta          | Promoter Group | 7,000                                 |            |                            |                              |
|                            | Mr. Gajendrasinh Bhikhubha Zala     | Promoter Group | 7,000                                 |            |                            |                              |
|                            | Mr. Rajnikant Chandulal Shukla      | Promoter Group | 7,000                                 |            |                            |                              |
|                            | Mrs. Sarojben Rajnikant Shukla      | Promoter Group | 7,000                                 |            |                            |                              |

- None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.

- 13) Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
- 14) Our Company has Seven (7) Shareholders, as on the Date of this Prospectus.
- 15) Our Promoters and Promoter Group will not participate in the Issue. Neither the Company, nor its Promoter, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person. The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
- 16) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "*Our Management*" beginning on Page No. 81 of this Prospectus.
- 17) 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 No. 129 of this 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.
- 18) 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.
- 19) 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.
- 20) 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 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
- 21) 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.
- 22) As on date of this 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.
- 23) As on date of this Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares issued through this Public Issue will be fully paid up.
- 24) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 25) Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 26) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

## OBJECTS OF THE ISSUE

### Requirement of Funds

Our Company proposes to utilize the funds which are being raised through this Issue (“**Net Proceeds**”) towards the following objects:

- a) Funding the working capital requirements of the company
- b) General Corporate Purposes

(Collectively referred as “**Objects**”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

### Issue Proceeds & Net Proceeds

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

(₹ in lakhs)

| Particulars                      | Amount        |
|----------------------------------|---------------|
| Gross Proceeds of the Issue      | 244.80        |
| Less: Issue related expenses     | 25.00         |
| <b>Net Proceeds of the Issue</b> | <b>219.80</b> |

### Utilization of Net Proceeds

The proposed utilization of Net Proceeds is set forth as stated below:

(₹ in lakhs)

| Sr. No. | Particulars                                             | Amount        | % of Net Proceeds |
|---------|---------------------------------------------------------|---------------|-------------------|
| 1.      | Funding the working capital requirements of the company | 180.00        | 81.89             |
| 2.      | General Corporate Purposes                              | 39.80         | 18.11             |
|         | <b>Total</b>                                            | <b>219.80</b> | <b>100</b>        |

### Requirement of Funds and Means of Finance

The fund requirements mentioned above are based on the internal management estimates of our Company and quotations provided by suppliers in this industry which are not been verified or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates and requirements from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations.

Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

Accordingly we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 104(1)(d) of the SEBI (ICDR), Regulations, 2018, as amended, through verifiable means towards 75% of the stated means of finance excluding the amount to be raised the net proceeds and existing identifiable internal accruals.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer chapter titled “*Risk Factors*” beginning on Page No. 18 of this Prospectus.

### DETAILS OF THE FUND REQUIREMENTS

## 1) Funding of working capital requirements

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions. Our Company's existing working capital requirement and funding on the basis of Restated Standalone Financial Statements for Fiscal 2021 are as stated below:

(₹ in lakhs)

| Particulars                                                             | Fiscal 2021<br>(Restated) |
|-------------------------------------------------------------------------|---------------------------|
| <b>Current Assets</b>                                                   |                           |
| Inventories                                                             |                           |
| - Raw Materials                                                         | -                         |
| - Finished Goods                                                        | -                         |
| - Semi-Finished Goods                                                   | -                         |
| Trade Receivables                                                       | 606.21                    |
| Cash and Bank Balance                                                   | 0.66                      |
| Short term loans & advances                                             | 29.10                     |
| Other Current Assets                                                    | -                         |
| <b>Total (A)</b>                                                        | <b>635.97</b>             |
| <b>Current Liabilities</b>                                              |                           |
| Trade Payables                                                          | 580.05                    |
| Other Current Liabilities & Short Term Provision                        | 22.59                     |
| <b>Total (B)</b>                                                        | <b>602.77</b>             |
| <b>Total Working Capital (A)-(B)</b>                                    | <b>33.20</b>              |
| <b>Funding Pattern</b>                                                  |                           |
| Short-term borrowings from banks                                        | -                         |
| Long-term borrowings (Term loans taken for working capital requirement) | -                         |
| Networth / Internal Accruals                                            | <b>33.20</b>              |
| Proceeds from IPO                                                       | -                         |

### Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated January 22, 2022 has approved the business plan for the Fiscal 2022. The estimated and projected working capital requirements for Fiscal 2022 is stated below:

| Particulars           | Fiscal 2022<br>(Projected) |
|-----------------------|----------------------------|
| <b>Current Assets</b> |                            |
| Inventories           |                            |
| - Raw Materials       | -                          |
| - Finished Goods      | 80.35                      |
| - Semi-Finished Goods | -                          |
| Trade Receivables     | 835.00                     |
| Cash and Bank Balance | 28.00                      |

|                                                                         |                 |
|-------------------------------------------------------------------------|-----------------|
| Short term loans & advances                                             | 75.00           |
| Other Current Assets                                                    | 90.72           |
| <b>Total (A)</b>                                                        | <b>1,018.35</b> |
| <b>Current Liabilities</b>                                              |                 |
| Trade Payables                                                          | 570.00          |
| Other Current Liabilities & Short Term Provision                        | 48.50           |
| <b>Total (B)</b>                                                        | <b>618.50</b>   |
| <b>Total Working Capital (A)-(B)</b>                                    | <b>399.95</b>   |
| <b>Funding Pattern</b>                                                  |                 |
| Short-term borrowings from banks/others                                 | <b>169.45</b>   |
| Long-term borrowings (Term loans taken for working capital requirement) | -               |
| Networth / Internal Accruals                                            | <b>50.50</b>    |
| Proceeds from IPO                                                       | <b>180.00</b>   |

## Assumption for working capital requirements:

(In months)

| Particulars                | Holding Level for Fiscal 2021 (Restated) | Holding Level for Fiscal 2022 (Projected) |
|----------------------------|------------------------------------------|-------------------------------------------|
| <b>Current Assets</b>      |                                          |                                           |
| Inventories                |                                          |                                           |
| - Raw Materials            | -                                        | -                                         |
| - Semi Finished Goods      | -                                        | -                                         |
| - Finished Goods           | -                                        | -                                         |
| Trade Receivables          | 4.99                                     | 4.36                                      |
| <b>Current Liabilities</b> |                                          |                                           |
| Trade Payables             | 4.86                                     | 3.11                                      |

## Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

|                            |                                                                                                                                                                                                                                            |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Current Assets</b>      |                                                                                                                                                                                                                                            |
| Trade receivables          | Our company is engaged in trading of ceramic tiles. The payment is released by the customer on the delivery of the products or periodically as agreed between the parties.                                                                 |
| <b>Current Liabilities</b> |                                                                                                                                                                                                                                            |
| Trade Payables             | As mentioned above our company receives delayed payment from the customers for which the company requires huge working capital, to reduce the burden the company intends to shift this burden to partners by increasing the credit period. |

Our Company proposes to utilize ₹ 180.00 lakhs of the Net Proceeds in Fiscal 2022 and Fiscal 2023 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2022 and Fiscal 2023 will be arranged from borrowings and internal accruals/net worth.

## 2) General corporate purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for General corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance

with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives, partnerships, joint ventures and acquisitions;
- b) brand building and strengthening of promotional & marketing activities; and
- c) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “Utilization of Net proceeds” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

## ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 25.00 lakhs, which is 10.21% of the total Issue Size. The details of the Issue Expenses are tabulated below:

| Sr. No. | Particulars                                                                                                                                                                                             | Amount<br>(₹ in lakhs) | % of Total<br>Expenses | % of Total<br>Issue Size |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|--------------------------|
| 1.      | Issue Management fees including Merchant Banking fees and Market Making fees, Underwriting fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses | 18.00                  | 72.00%                 | 7.35%                    |
| 2.      | Advertising and Marketing Expenses                                                                                                                                                                      | 0.75                   | 3.00%                  | 0.31%                    |
| 3.      | Fees payable to the to the Regulators including stock exchange(s)                                                                                                                                       | 4.00                   | 16.00%                 | 1.63%                    |
| 4.      | Printing & Stationery, Distribution, Postage, etc.                                                                                                                                                      | 0.75                   | 3.00%                  | 0.31%                    |
| 5.      | Brokerage and selling commission <sup>(1)(2)(3)</sup>                                                                                                                                                   | 0.50                   | 2.00%                  | 0.20%                    |
| 6.      | Other Expenses (Banker’s to the Issue, Auditor’s fees etc.)                                                                                                                                             | 1.00                   | 4.00%                  | 0.41%                    |
|         | <b>Total Estimated Issue Expense</b>                                                                                                                                                                    | <b>25.00</b>           | <b>100%</b>            | <b>10.21%</b>            |

<sup>(1)</sup>The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(2)</sup>The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(3)</sup>Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

## Proposed Schedule of Implementation and funds deployed

Our Company plans to deploy the funds towards the above stated Objects during FY 2023, depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

## Appraisal and Bridge Loans

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

However if the Company avails any bridge loans from the date of the Prospectus upto the date of the IPO; the same shall be refunded from the IPO proceeds and related details will be updated in the Prospectus or likewise.

## Monitoring of 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 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

## **Interim Use of Funds**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act, 1934. Our Company confirms that it shall not use the Net Proceeds for any purpose other than abovementioned objects.

## **Variation in Objects**

In accordance with Section 13(8) and 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. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price 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 Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business in compliance with applicable law.

## **BASIS FOR ISSUE PRICE**

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹10/- and Issue Price is ₹ 51/- per Equity Shares and is 5.1 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on Page No. 18, 97 and 66 respectively, of this 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 the Issue Price are:

- Experienced Promoters and Management Expertise
- Quality Customer Base
- Quality and focus on customer satisfaction
- Satisfactory track record

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled “Our Business – Our competitive strengths” beginning on Page No. 66 of this Prospectus.

### **Quantitative Factors**

The information presented in this section for the audited financial statements of the Company for the period ended September 30, 2021 and financial year ended March 31, 2021, 2020 and 2019 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI ICDR Regulations. For more details on financial information, investors please refer the chapter titled “Financial Statements” beginning on Page No. 97 of this Prospectus.

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

#### **1) Basic and Diluted Earnings / Loss Per Share (“EPS”)**

| Period / Year ended                           | Basic & Diluted |         |
|-----------------------------------------------|-----------------|---------|
|                                               | EPS (in ₹)      | Weights |
| March 31, 2019                                | 0.94            | 1       |
| March 31, 2020                                | (0.70)          | 2       |
| March 31, 2021                                | 2.59            | 3       |
| <b>Weighted Average</b>                       | 0.95            |         |
| <b>For period ended on September 30, 2021</b> | 2.34            |         |

#### **Notes:**

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled “Financial Information” beginning on Page No. 97 Prospectus.

#### **2) Price Earnings Ratio (“P/E”) in relation to the Price of ₹ 51/- per share of ₹ 10/- each**

| Particulars                                                   | P/E   |
|---------------------------------------------------------------|-------|
| P/E ratio based on Basic and Diluted EPS as at March 31, 2021 | 19.67 |
| P/E ratio based on Weighted Average EPS                       | 53.95 |

### 3) Industry Price / Earning (P/E) Ratio

| Particulars | Industry P/E |
|-------------|--------------|
| Highest     | 61.20        |
| Lowest      | 48.82        |
| Average     | 53.71        |

#### Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

### 4) Return on Net worth (RONW)

| Period / Year ended                           | RoNW (%)     | Weight |
|-----------------------------------------------|--------------|--------|
| March 31, 2019                                | 67.68        | 1      |
| March 31, 2020                                | (101.12)     | 2      |
| March 31, 2021                                | 78.99        | 3      |
| <b>Weighted Average</b>                       | <b>15.74</b> |        |
| <b>For Period ended on September 30, 2021</b> | <b>83.18</b> |        |

\* Not Annualised

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RONW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

### 5) Net Asset Value (NAV)

| Financial Year                   | NAV (in ₹) |
|----------------------------------|------------|
| NAV as at March 31, 2021         | 12.47      |
| NAV as on September 30, 2021     | 116.86     |
| NAV after Issue – at Issue Price | 26.46      |
| Issue Price (in ₹)               | 51.00      |

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

### 6) Comparison with Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

| Name of the Company      | CMP*    | EPS (₹) | Face Value (₹) | P/E Ratio | RoNW (%) | NAV Per Share | Total Income (₹ in Million) |
|--------------------------|---------|---------|----------------|-----------|----------|---------------|-----------------------------|
| <b>Peer Group#</b>       |         |         |                |           |          |               |                             |
| Kajaria Ceramics Limited | 1267.55 | 19.37   | 1              | 51.12     | 16.48    | 117.48        | 28,022.00                   |

| Name of the Company              | CMP*   | EPS (₹) | Face Value (₹) | P/E Ratio | RoNW (%) | NAV Per Share | Total Income (₹ in Million) |
|----------------------------------|--------|---------|----------------|-----------|----------|---------------|-----------------------------|
| Somany Ceramics Limited          | 902.50 | 13.62   | 2              | 48.82     | 8.80     | 154.64        | 16,632.40                   |
| Orient Bell Limited              | 376.05 | 5.36    | 10             | 61.20     | 3.20     | 167.30        | 5,043.40                    |
| <b>The Company</b>               |        |         |                |           |          |               |                             |
| Dhyaani Tile and Marblez Limited | 51.00  | 36.77   | 10             | 63.47     | 78.99    | 68.26         | 14.53                       |

*\*Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the filings made with stock exchanges as on January 21, 2022, available on [www.bseindia.com](http://www.bseindia.com) for the Financial Year ending March 31, 2021.*

*Source for Dhyaani Tile and Marblez Limited: Based on the Restated Financial Statements for the year ended March 31, 2021. However certain corporate actions affecting the number of shares and networth of the company have been carried out after the said period hence the said figures are not exact comparable figures.*

*# The names disclosed as peer group in this prospectus are not the exact comparable peers of the issuer. The said peer group belong to the same industry but the revenue that Issuer generates is through trading where as the others have a mix of manufacturing as well as trading. As on date there are no exact listed peers of the issuer company.*

The Company in consultation with the Lead Manager believes that the Issue price of ₹ 51/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10/- per share and the Issue Price is 5.1 times of the face value i.e. ₹ 10/- per share.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

| Particulars              | Page Nos.  |
|--------------------------|------------|
| Statement of Tax Benefit | S-1 to S-3 |

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

**The Board of Directors**

**Dhyaani Tile and Marblez Limited**

420, Time Square Arcade,

Opp. Rambaug, Thaltej, Ahmedabad

– 380059

Dear Sirs,

**Sub: Statement of possible special tax benefits available to Dhyaani Tile and Marblez Limited (“the Company”) and its shareholders under direct and indirect tax laws**

We refer to the proposed issue of equity shares of Dhyaani Tile and Marblez Limited (“the Company”). We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, The Central Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017, The State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, Customs Act, 1962 and Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India for inclusion in the Draft Prospectus (“DP”) for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

### **LIMITATIONS**

*Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the 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 interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*

*This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).*

**For J Singh & Associates**

**Chartered Accountants**

**FRN – 110266W**

**SD/-**

**(CA Amitkumar Joshi)**

**Partner**

**Membership No. - 120022**

**(UDIN – 22120022AAAAAE2435)**

**Place: Ahmedabad**

**Date: January 22<sup>nd</sup>, 2022**

## **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

### **Direct Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2021 i.e., applicable for Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has not applied section 115BAA for the assessment year 2021-22.

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

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

### **Indirect Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits available to the Company under GST law.

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

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

## SECTION V – ABOUT THE COMPANY

### OUR INDUSTRY

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

#### **GLOBAL ECONOMIC OVERVIEW**

The global economic recovery is continuing, even as the pandemic resurges. The fault lines opened up by COVID-19 are looking more persistent near-term divergences are expected to leave lasting imprints on medium-term performance. Vaccine access and early policy support are the principal drivers of the gaps.

The global economy is projected to grow 5.9 percent in 2021 and 4.9 percent in 2022, 0.1 percentage point lower for 2021 than in the July forecast. The downward revision for 2021 reflects a downgrade for advanced economies in part due to supply disruptions and for low-income developing countries, largely due to worsening pandemic dynamics. This is partially offset by stronger near-term prospects among some commodity-exporting emerging market and developing economies. Rapid spread of Delta and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome. Policy choices have become more difficult, with limited room to manoeuvre.

Speeding up the vaccination of the world population remains the top policy priority, while continuing the push for widespread testing and investing in therapeutics. This would save millions of lives, help prevent the emergence of new variants, and hasten the global economic recovery. As discussed in Chapter 1, an IMF proposal lays out concrete, cost-effective steps to vaccinate at least 40 percent of the population in every country by the end of 2021 and 70 percent by mid-2022. It is also crucial to ensure that financially constrained countries can continue essential spending while meeting other obligations. The IMF's recent General Allocation of Special Drawing Rights, equivalent to \$650 billion, provided much-needed international liquidity. Moreover, doubling down efforts to curb greenhouse gas emissions is critical current actions and pledges are not enough to prevent a dangerous overheating of the planet. The international community should also resolve trade tensions and reverse the trade restrictions implemented in 2018–19, strengthen the rules-based multilateral trading system, and complete an agreement on a global minimum for corporate taxes that halts a race to the bottom and helps bolster finances to fund critical public investments.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021>)

#### **EMERGING MARKETS LEAD THE REBOUND**

Emerging markets, excluding China, have faced numerous cyclical challenges in recent years. Now, with more favourable COVID-19 dynamics in many developing nations, emerging markets could set the pace for global growth. Morgan Stanley economists expect this momentum to continue into next year. At the same time, emerging markets should benefit from widening U.S. current account deficits, low U.S. real interest rates, a weaker dollar, and accommodative macroeconomic policies. That adds up to 7.4% GDP growth for emerging markets in 2021, led by a forecast 9.8% improvement in India.

## Latest World Economic Outlook Growth Projections

| (real GDP, annual percent change)               | PROJECTIONS |            |            |
|-------------------------------------------------|-------------|------------|------------|
|                                                 | 2020        | 2021       | 2022       |
| <b>World Output</b>                             | <b>-3.1</b> | <b>5.9</b> | <b>4.9</b> |
| <b>Advanced Economies</b>                       | <b>-4.5</b> | <b>5.2</b> | <b>4.5</b> |
| United States                                   | -3.4        | 6.0        | 5.2        |
| Euro Area                                       | -6.3        | 5.0        | 4.3        |
| Germany                                         | -4.6        | 3.1        | 4.6        |
| France                                          | -8.0        | 6.3        | 3.9        |
| Italy                                           | -8.9        | 5.8        | 4.2        |
| Spain                                           | -10.8       | 5.7        | 6.4        |
| Japan                                           | -4.6        | 2.4        | 3.2        |
| United Kingdom                                  | -9.8        | 6.8        | 5.0        |
| Canada                                          | -5.3        | 5.7        | 4.9        |
| Other Advanced Economies                        | -1.9        | 4.6        | 3.7        |
| <b>Emerging Market and Developing Economies</b> | <b>-2.1</b> | <b>6.4</b> | <b>5.1</b> |
| Emerging and Developing Asia                    | -0.8        | 7.2        | 6.3        |
| China                                           | 2.3         | 8.0        | 5.6        |
| India                                           | -7.3        | 9.5        | 8.5        |
| ASEAN-5                                         | -3.4        | 2.9        | 5.8        |
| Emerging and Developing Europe                  | -2.0        | 6.0        | 3.6        |
| Russia                                          | -3.0        | 4.7        | 2.9        |
| Latin America and the Caribbean                 | -7.0        | 6.3        | 3.0        |
| Brazil                                          | -4.1        | 5.2        | 1.5        |
| Mexico                                          | -8.3        | 6.2        | 4.0        |
| Middle East and Central Asia                    | -2.8        | 4.1        | 4.1        |
| Saudi Arabia                                    | -4.1        | 2.8        | 4.8        |
| Sub-Saharan Africa                              | -1.7        | 3.7        | 3.8        |
| Nigeria                                         | -1.8        | 2.6        | 2.7        |
| South Africa                                    | -6.4        | 5.0        | 2.2        |
| <b>Memorandum</b>                               |             |            |            |
| Emerging Market and Middle-Income Economies     | -2.3        | 6.7        | 5.1        |
| Low-Income Developing Countries                 | 0.1         | 3.0        | 5.3        |

Source: IMF, *World Economic Outlook*, October 2021

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2020/2021 starting in April 2020. For the October 2021 WEO, India's growth projections are 8.3 percent in 2021 and 9.6 percent in 2022 based on calendar year.

INTERNATIONAL MONETARY FUND

IMF.org

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021>)

### INDIAN ECONOMIC OVERVIEW

India's gross domestic product (GDP) at current prices stood at ₹ 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

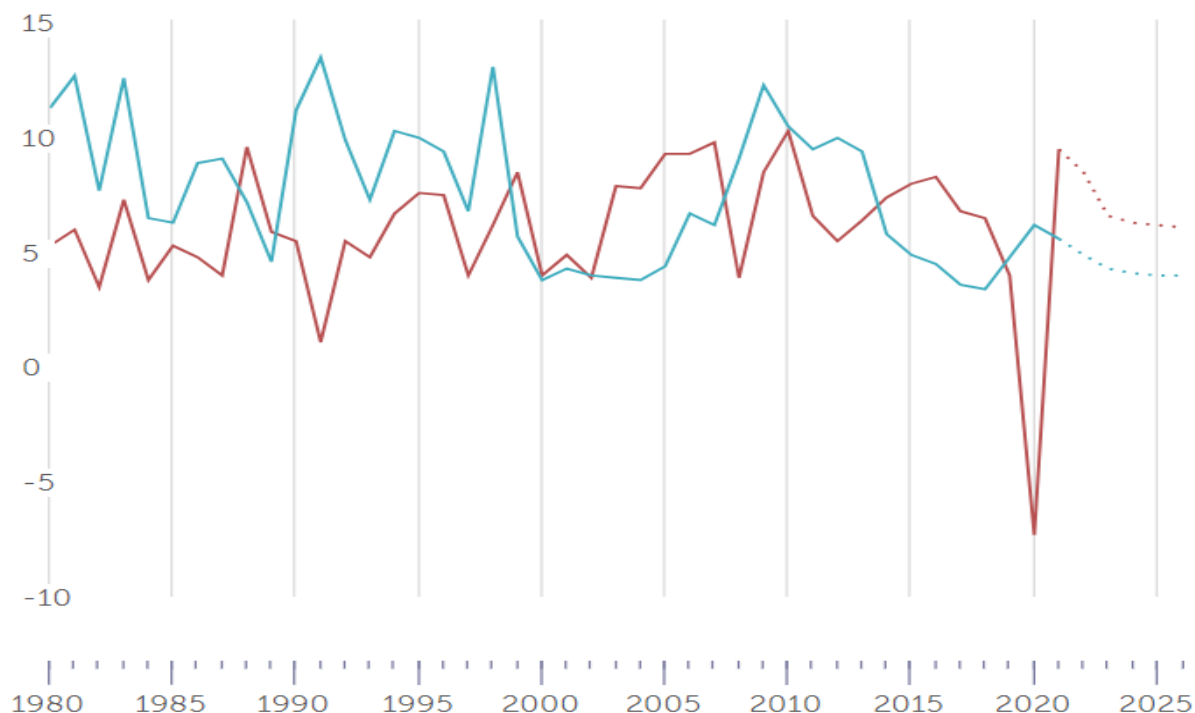
India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

According to data from the Department of Economic Affairs, as of August 27, 2021, foreign exchange reserves in India reached US\$ 633.5 billion mark.

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

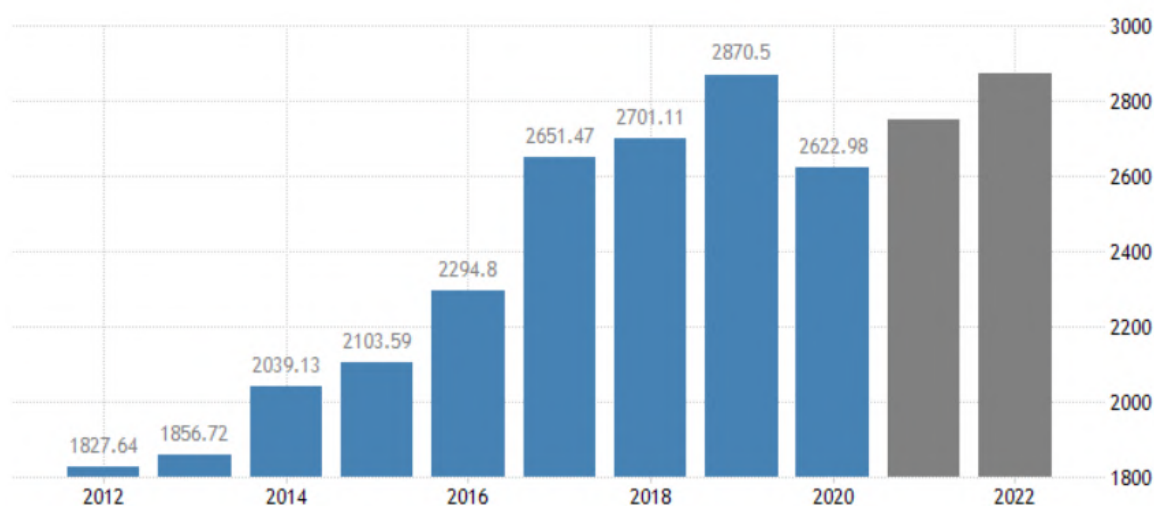
## GDP AND INFLATION RATE IN INDIA

- Real GDP growth (Annual percent change) ..... 9.5
- Inflation rate, average consumer prices (Annual percent change) ... 5.6



(Source: <https://www.imf.org/en/Countries/IND>)

## INDIAN ECONOMIC OVERVIEW



Indian GDP growth and projection (in \$ billion)

(Source: [tradingeconomics](https://tradingeconomics.com))

The Indian economy was witnessing sluggish growth much before the pandemic hit. Private consumption, investments, industrial output and tax revenues declined, with growth slowing to a six-year low at the end of FY2021. According to the IMF, the Indian economy contracted by 7.3% in FY2021.

Economic activities halted as the Government of India imposed a nationwide lockdown to contain the spread of COVID-19 on March 24, 2020. As a result, the economy shrunk by 24.38% in the first quarter. The lockdown measures were eased from June onwards and economic activities resumed. However, there was significant damage to the economy in the first two months. Except agriculture, all other sectors degrew due to severe restrictions on mobility. The agriculture sector grew by 3.4% due to good rabi harvest and kharif sowing, and monsoon.

In the second quarter, pent up demand started playing up, which resulted in a marginal recovery of the economy. In Q3, the festive demand pushed the economy into positive territory. A boost to capital spending and private spending fueled recovery in Q4. The Government of India, along with the Reserve Bank of India (RBI), announced a series of measures to provide immediate relief to the vulnerable sections, stabilise the economy, and boost liquidity and credit flow. The cumulative stimulus amounted to ₹29.7 lakh crore (equivalent to 15% of GDP), with a focus on boosting domestic manufacturing and strengthening supply chains.

After the second infection wave that peaked in May, the recovery is gaining momentum and according to OECD, GDP is projected to grow at 9.4% in fiscal year (FY) 2021-22 before reverting to 8.1% in FY 2022-23 and 5½ per cent in FY 2023-24. Inflation has remained close to the upper band of the Reserve Bank of India (RBI), but should ebb as supply chain disruptions are overcome. Financial markets remain strong and capital inflows support the build-up in reserves. The appearance of a new virus variant, especially if combined with a relaxation of attitudes, is the major downside risk, together with a less supportive global economic and financial environment.

According to the IMF, the economy is expected to grow by 12.5% in FY2022. The widespread vaccination drive will fuel recovery. The industrial sector is expected to be resilient with mining, manufacturing and construction registering double-digit growth rates. Increase in commodity prices, a revival of domestic demand, and improved goods and services tax (GST) collections indicate sharper-than-expected recovery. Proactive policy measures by regulators and the government are expected to ensure smooth functioning of businesses, domestic markets and financial institutions. However, risks to the forecast remain on the downside, due to renewed fears of localised lockdowns or restrictions on mobility following the second wave of the pandemic.

2022 Projected Real GDP (% Change): 8.5

2022 Projected Consumer Prices (% Change): 4.9

(Source: OECD, IMF)

## GLOBAL TILES INDUSTRY

Tiles, today, have become an essential element of the construction industry. They are used in commercial space, residential complexes and high-footfall areas. In high footfall areas (commercial and retail), tiles are preferred for their appeal, their strength, life and the convenience of seamless maintenance.

The global ceramic tiles market has witnessed a period of constant growth over the last 10 years driven by - the rising demand for ceramic tiles in buildings and construction; rapid development of residential and commercial buildings due to population growth, increasing urbanisation and rise of per capita income; along with technological advancements in this sector that have fuelled product innovation and cost efficiencies.

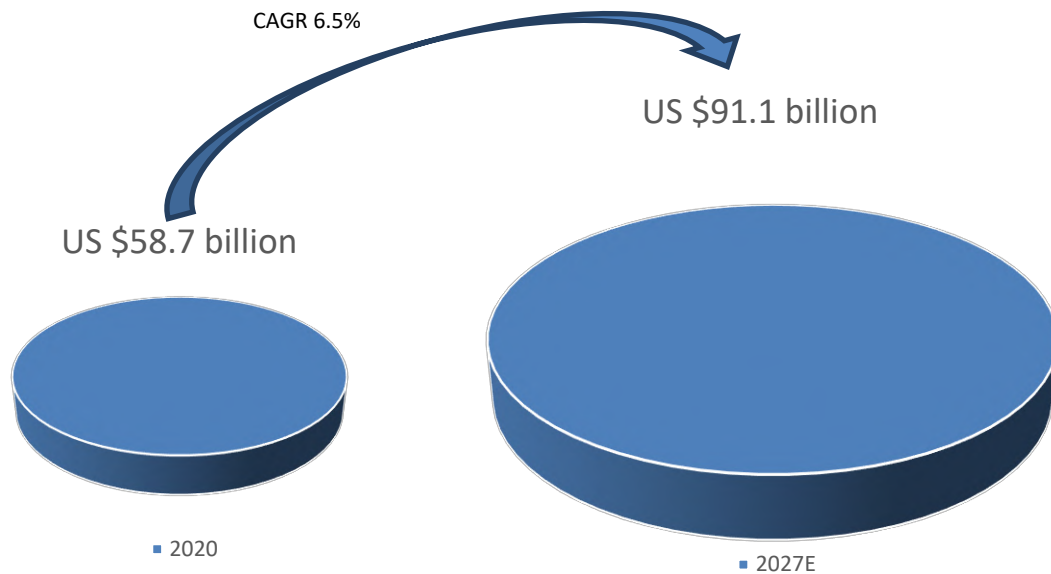
The first slowdown of global production and consumption started in CY 18 and has continued in CY19. In CY19, world tile production fell to 12,673 million sqm, 3.7% down from the 13,157 million sqm in CY18. Just like the previous year, production in Asia contracted by a further 5%, dropping from 8,980 million sqm to 8,532 million sqm, equivalent to 67.3% of global production. This fall was largely due to a significant decline in the volumes produced in China.

World tile consumption fell from 12,902 million sqm in CY18 to 12,375 million sqm in CY19 (-4.1%), a decline of approximately 500 million sqm.

The biggest contraction was again Asia, where demand fell to 7,995 million sqm (-6.3).

World exports in CY19 grew by just 1.1% compared to CY18 to reach 2,837 million sqm. This figure is a combined result of the contraction in Chinese exports (down by 75 million sqm) and the growth in almost all the other major exporting countries, especially India (an increase of 86 million sqm) where the exports grew by 31.4% over CY18.

The global ceramic tiles market is projected to grow at US\$ 207.7 billion in 2020. It is expected to reach US\$ 285.1 billion by 2025, growing at a CAGR of 6.5%



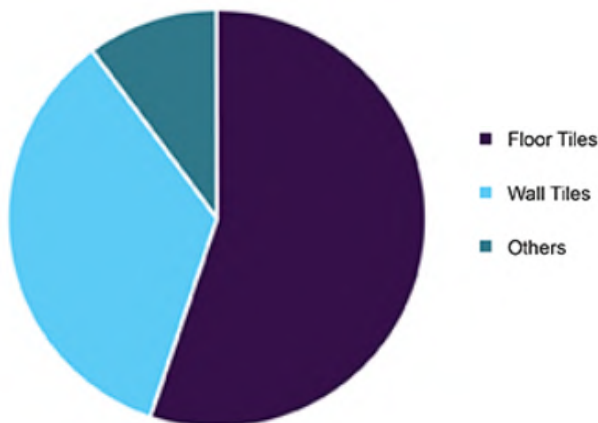
(Source: businesswire)

Population growth, rising disposable income, growth in renovation and remodelling activities, and increasing investments in residential and commercial sectors have fuelled growth for the market.

The residential and construction segment is the key market for ceramic tiles and is expected to be the fastest growing end-use sector for the tiles from 2020 to 2025. In terms of value and volume, the demand for ceramic tiles in the Asia-Pacific region is expected to be the highest during the period from 2020 to 2025. Rising number of new housing units and increasing investments in the infrastructure sector are contributing to the rise in demand.

China has been one of the largest producers of ceramic tiles, contributing significantly to global tile production.

## GLOBAL CERAMIC TILES MARKET SHARE, BY APPLICATION, 2019 (%)



(Source: [www.grandviewresearch.com](http://www.grandviewresearch.com))

However, several countries such as the European Union, India, Brazil, Taiwan, Chile, Vietnam and South Korea have imposed anti-dumping duty on Chinese tiles to protect the domestic tiles industry from cheaper imports.

Countries are now looking for other tile importers and India is the preferred choice due to its strong tile manufacturing capability.

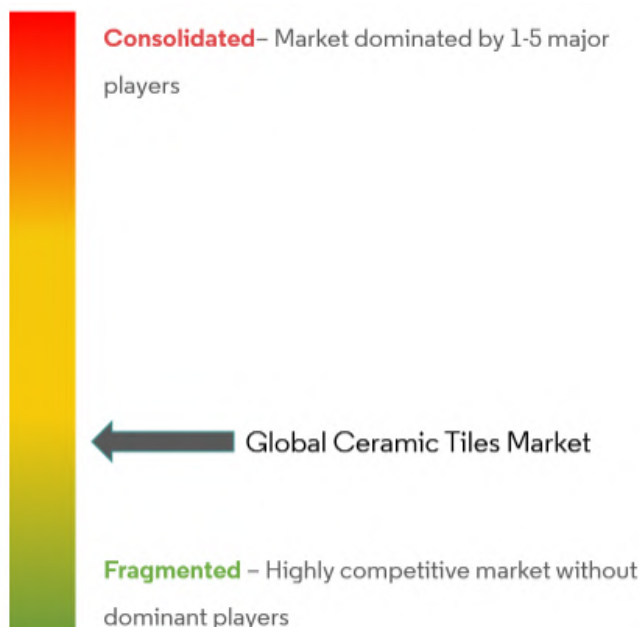
The industry has been severely impacted by the COVID-19 pandemic. The demand is expected to fall sharply by 10-12% in 2020 due to halted construction projects.

## Global Product Trends

1. Regulations by the U.S. Green Building Council has mandated the use of eco-friendly construction materials, thereby positively influencing the industry growth.

2. The ceramic tiles production industry is witnessing a rising trend of digital inkjet printing technology for decoration of tiles. In addition, significant advances in print head design and ink formulation further expected to enhance the penetration of the aforementioned technology in the market over the forecast period.
3. Key players in the industry are integrating with numerous service companies including graphic studios that aid in developing new graphics for the production of more aesthetically appealing ceramic tiles. In addition, it includes the suppliers of end line processing to finish the final product with cuts, grinding, and lapping.

(Source: <https://www.grandviewresearch.com>)



(Source: Mordor Intelligence)

## GROWTH DRIVERS OF THE GLOBAL TILES INDUSTRY

1. As ceramic tiles are available in a variety of glaze options and sizes, they are the preferred choice among consumers who are looking for attractive, yet cost-effective flooring options.
2. Advancements in technology, with methods such as spray drying of clays, pressing and firing of tiles, and specialised equipment for selection, manipulation and quality control allow manufacturers to produce tiles in myriad shapes, sizes and textures.
3. Rapid urbanisation, rising industrialisation and inflating per capita income have resulted in a rise in construction activities, in turn escalating the demand for flooring tiles.
4. The tiles are now being manufactured in a variety of sizes and colours. They can be customised to suit various aesthetic requirements, thus providing several options to consumers.

## INDIAN TILES INDUSTRY

In CY19, India maintained its position as the second largest tile producer with an increase in volumes from 1,145 million sqm to 1,266 million sqm (+10.6%). The increase was not so much driven by domestic consumption, which grew by just 4% to 780 million sqm, as by a fresh surge in exports.

The 20% growth in exports recorded in CY18 (274 million sqm) was followed by a further 31.4% increase in CY19 (360 million sqm), making India the world's third largest exporting country after China and Spain.

It was a mixed year for the Indian tile industry with a see-saw in its fortunes. Tile offtake remained dismal in the initial months of the fiscal owing to pandemic-mandated lockdown, shaken consumer confidence and logistical challenges.

Tier II and III towns and rural India witnessed the first uptick in demand owing to the relatively muted impact of the pandemic on themselves and their livelihoods. Demand from urban pin codes and metros resurged the second half of the fiscal as the adversities of the first wave of Covid-19 waned. As a result, while the first half of FY21 remained largely muted for the national brands, the second half was significantly better.

The going was relatively better for the Morbi cluster. Despite disruptions caused by the Covid-19 pandemic, India's largest hub of ceramic industry at Morbi enjoyed significant demand from international markets.

This was owing to the anti-China policy adopted by some and the China+1 strategy adopted by some other tile consuming nations. This helped open new markets.

India's tiles exports increased significantly in FY21 as compared to the previous year.

This diversion mandated the informal players to reduce supply to traditional domestic regions; it helped national brands to make inroads into the domestic market.

## **GROWTH DRIVERS OF THE INDIAN TILES INDUSTRY**

1. Reverse migration has been a major trend that has pushed up demand considerably for homes across Indian Tier II and Tier III cities along with factors like ready availability of bigger spaces, lower construction costs, and enhanced value for money in terms of property prices.
2. The Government had announced the creation of 100 additional airports in India by 2024; majority of these airports are to be located in Tier I and II cities with an objective of strengthening connectivity. Majority of these airport projects are yet to be initiated. Also, large expansions have also been planned (some initiated) for India's premier airports in New Delhi, Hyderabad, Mumbai and Kolkata.
3. According to JLL India, the top eight cities of India added 28 million sq. ft to India's warehousing inventory to reach a total storage space capacity of 238 million sq. ft in 2020. The advisory projects that there will be 344 mn sq. ft of warehousing space in India by 2022.

*(Source: Morbi Ceramics Association)*

## OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You shall read the chapter titled “Forward Looking Statements” beginning on Page No. 13 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ending March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on Page No. 18 and 97 respectively.

Unless otherwise stated, all references in this section to “Dhyaani” or “the Company” or “our Company” or “we” or “our” or “us” are to Dhyaani Tile and Marblez Limited.

### **BUSINESS OVERVIEW**

Our Company was incorporated as “Dhyani Enterprise Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 9, 2014 bearing Registration No. 081004 issued by the Registrar of Companies, Ahmedabad, Gujarat. Further, name of our company was changed to “Dhyaani Tile and Marblez Private Limited” vide special resolution dated October 14, 2021. A fresh certificate of incorporation consequent to change of name was issued to our Company by the Registrar of Companies, Ahmedabad on October 18, 2021. Further our Company was converted into a Public Limited Company and the name of our Company was changed to “Dhyaani Tile and Marblez Limited” vide special resolution dated October 22, 2021. A fresh certificate of incorporation consequent to conversion into public limited Company was issued to our Company by the Registrar of Companies, Ahmedabad on November 9, 2021. The corporate identification number of our Company is U51900GJ2014PLC081004. For further details, including change in our Registered Office, please refer the chapter “History and Certain Corporate Matters” beginning on Page No. 78 of this Prospectus.

Our Company is promoted by Mr. Chintan Nayan Bhai Rajyaguru. He associated with the Company in 2020 and at present look after the overall management, day to day affairs and is the guiding force behind the strategic decisions of our Company. His industry knowledge and understanding of the current market situation enables us to improve our geographic horizon and market presence. We believe that we shall be able to create a market position by adhering to the vision of our Promoter and senior management and their experience.

Our Company is engaged in the business of trading of vitrified tiles used primarily for flooring solutions. We commenced this business in year 2019, upon takeover of the business from the earlier promoters. Earlier to this the company was engaged in the business of trading of agro commodities.

**Our business operations are broadly divided into two product categories:**

- **Double Charge Vitrified Tiles:** Double charge vitrified tiles are tiles that are fed through a press which prints the pattern with a double layer of pigment, 3 to 4 mm thicker than other types of tiles. This process does not permit complex patterns but results in a long-wearing tile surface, suitable for heavy traffic commercial projects.
- **Glazed Vitrified Tiles:** Glazed vitrified tiles are flat slabs manufactured from ceramic materials such as clay, feldspar and quartz and other additives and fired at high temperatures to ensure high strength and low water absorption. These tiles are coated with glaze materials prior to the firing process.

### **OUR LOCATIONAL PRESENCE:**

**Registered Office:** 420 Times Square Arcade, Opp Rambaug, Thaltej-Shilaj Road, Thaltej Ahmedabad – 380059, Gujarat, India

### **OUR COMPETITIVE STRENGTH**

We believe that the following strengths have contributed to success and will be of competitive advantages for us, supporting our strategy and contribution to improvements in financial performance:

#### **1. Widespread distribution network**

We generally sell our products through a network of distributors and dealers/traders located at different locations of the country. At present, we have distribution network of around 40 traders spread across various states. Our

widespread distribution network provides us wide geographical presence in terms of coverage of different states of the country. We believe that our distribution network leverages our marketing and reduces our concentration customer wise and state wise.

## 2. *Experienced management and dedicated employee base*

We have a seasoned management team with extensive knowledge of the ceramics sector. This, we feel, makes effective operational collaboration and business strategy continuity easier. We can foresee and address market changes, manage and grow our operations, and preserve and leverage client connections thanks to their specific industry experience.

Furthermore, our workforce includes seasoned senior executives, many of whom have been with us for a long time. We think that our management team and other key management personnel are well qualified and have extensive industry expertise, and that they have been responsible for our operations' growth. We feel that our management team's experience and contacts with diverse stakeholders have enabled us to expand our operational capabilities, Improve the quality of our goods, enhance our methods and designs on a regular basis, and fulfil our ceramic industry growth goals.

## 3. *Quality assurance*

We believe in quality manufacturing and aim to deliver qualitative products to the satisfaction of customers. We have an in-house testing laboratory to test the products. Our finished product passes quality check to ensure relevant quality parameters are as per the standards set. Our in house testing laboratory regulates and monitors the quality, strength and the thickness of the Ropes and Nets as per the requirements of the customer.

## 4. *Strategically beneficial location*

The geographic location of our business unit provides us a competitive advantage as this location is surrounded by the customers. This location enables the Company to cater to on the spot orders in a quick manner. Besides this, the company is also situated at an approachable distance from developed ports like Pipavav and Mundra which enables the company to ship the consignments in a timely manner and reduced local transportation costs.

## OUR STRATEGY

### 1. *Enhancing our customer base*

Our Company is customer satisfaction oriented company and strives to maintain good relationship with the customers. We continuously strive to increase the sales in the existing states and customers. However we aim at widening our distribution network so as to enhance our geographical presence and consequently our customer base. We also aim to take the maximum advantage of the location of the company by reaching to the un-explored or less explored sea faced areas of the country which has direct connectivity to the current location of the company. We have started exploring international markets by undertaking export assignments.

### 2. *Improving functional efficiencies*

Our company intends to improve efficiencies to achieve cost reductions and have a competitive edge over our peers. We believe that this can be achieved through continuous process improvement, customer service and technology development.

### 3. *To increase brand visibility*

The market for our products is highly competitive on account of both the organized and unorganized players. Our market goodwill is significantly dependent on brand recall and our ability to compete effectively would significantly depend on our ability to promote and develop our brand. We propose to increase the number of channel partners/dealers in order to broaden our reach. We believe greater visibility of our brand would ensure brand retention in the minds of the customers and would in effect further enhance our reach.

## IMMOVABLE PROPERTIES

Following table provides information regarding corporate offices, registered offices and other facilities used by Company in India.

| Sr. No. | Location                                                                                                 | Owned / Rented | Description of Use |
|---------|----------------------------------------------------------------------------------------------------------|----------------|--------------------|
| 1.      | 420 Times Square Arcade, Opp. Rambaug, , Thaltej-Shilaj Road, Thaltej Ahmedabad – 380059, Gujarat, India | Rented         | Registered Office  |
| 2.      | 132, Tulsi Estate, Opp. Bhagyoday Hotel, Changodar, Ahmedabad – 382213, Gujarat, India                   | Rented         | Godowns            |

## FINANCIAL SNAPSHOT:

**Financial Snapshot of our Company as per Restated Financial Information is as under:**

(Amount in ₹ Lakhs)

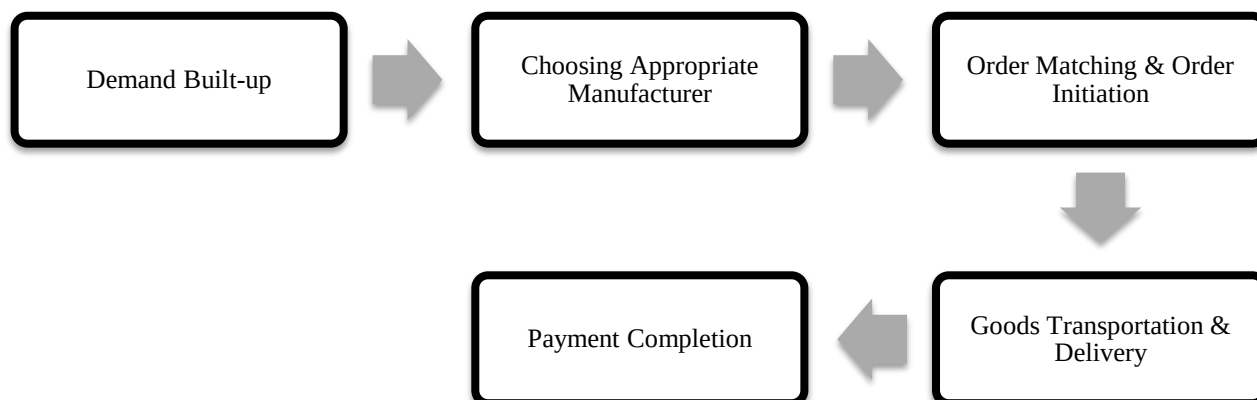
| Particulars                 | For the period ended on September 30, 2021 | FY 2020-21  | FY 2019-20    | FY 2018-19  |
|-----------------------------|--------------------------------------------|-------------|---------------|-------------|
| Revenue from Operations     | 1,041.27                                   | 1,457.53    | 712.77        | 935.64      |
| Total Revenue               | 1,041.30                                   | 1,511.33    | 712.77        | 935.64      |
| EBITDA                      | 31.65                                      | 36.77       | (9.53)        | 13.46       |
| <b>EBITDA Margin (in %)</b> | <b>3.04</b>                                | <b>2.52</b> | <b>(1.34)</b> | <b>1.44</b> |
| PAT                         | 24.30                                      | 26.96       | (7.25)        | 9.76        |
| <b>PAT Margin (in %)</b>    | <b>2.33</b>                                | <b>1.85</b> | <b>(1.02)</b> | <b>1.04</b> |

Note:

1. EBITDA Margin = (Restated profit before tax + Finance Cost + Depreciation and amortization expense)/ Total Revenue;
2. PAT Margin = PAT/ Total Revenue

## BUSINESS PROCESS

The following is a diagrammatic representation of the business process of our Company:



### 1. Demand Built-up:

Our extensive network of buyers and suppliers and strong relationship and trust with them help us to generate orders from them. If a customer needs a specific kind of product in bulk, they contact us and share their requirements, delivery time and mode of payment. After the contours of the order is accepted, the order is placed.

### 2. Choosing Appropriate Manufacturer:

After understanding the requirements of our buyers, we approach a manufacturer from our network with the necessary capabilities and quality control measures who can deliver the said quantity in the desired time frame.

### 3. Order Matching & Order Initiation:

Once we finalize and accept the delivery parameters, we place the order with the manufacturer and the order is initiated.

### 4. Goods Transportation & Delivery:

The products are then transported and delivered directly to the buyer which enables us to maintain least inventory days.

### 5. Payment Completion:

The payment transactions are concluded.

## OUR PRODUCTS

We are majorly involved in the trading of following types of tiles

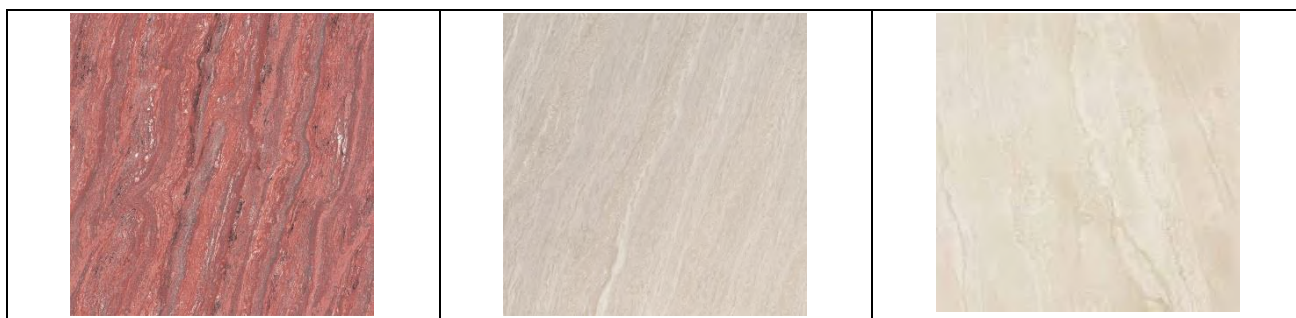
- Glazed vitrified tiles
- Double Charge Vitrified Tiles

| Particulars  | Double Charge Vitrified Tiles                                                                                                                                                                                                                                                                                        | Glazed Vitrified Tiles                                                                                                                                                                                                                                                                   |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Description  | Double charge vitrified tiles are tiles that are fed through a press which prints the pattern with a double layer of pigment, 3 to 4 mm thicker than other types of tiles. This process does not permit complex patterns but results in a long-wearing tile surface, suitable for heavy traffic commercial projects. | Glazed vitrified tiles are flat slabs manufactured from ceramic materials such as clay, feldspar and quartz and other additives and fired at high temperatures to ensure high strength and low water absorption. These tiles are coated with glaze materials prior to the firing process |
| Key Features | Fross resistance, Chemical resistance, Water absorption, Skid resistance                                                                                                                                                                                                                                             | Chemical resistance, Water absorption, Thermal shock resistance, Glossiness                                                                                                                                                                                                              |
| Size         | 800*800, 600*600, 800*1200                                                                                                                                                                                                                                                                                           | 600*1200, 600*600, 800*1600, 800*800, 800*1200                                                                                                                                                                                                                                           |
| Finish       | Double Charge                                                                                                                                                                                                                                                                                                        | Glossy, Matt, Sugar, Rocker, Butter, Full cover body                                                                                                                                                                                                                                     |
| Application  | Flooring Solutions                                                                                                                                                                                                                                                                                                   | Flooring Solutions                                                                                                                                                                                                                                                                       |

## OUR KEY PRODUCT RANGE

Following is our illustrative product portfolio

| Dimension: 600*1200                                                                 |                                                                                     |                                                                                       |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|  |  |  |
| Dimension: 600*600                                                                  |                                                                                     |                                                                                       |
|  |  |  |
| Dimension: 600*600                                                                  |                                                                                     |                                                                                       |



## HUMAN RESOURCE

As on date of this Prospectus, we have 12 employees with our Company. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, along with assurance of quality.

Department wise bifurcation of our employees are as under:-

| Particulars       | No. of Employees |
|-------------------|------------------|
| Finance & Account | 2                |
| Law               | 1                |
| Administration    | 2                |
| Warehouse         | 7                |

## UTILITIES & INFRASTRUCTURE FACILITIES

### Infrastructure Facilities

Our registered office is well equipped for our business operations to function smoothly.

### Power

The Company does not require much power except the normal requirement of the office of the Company and for lighting, systems running etc. Adequate power is available for office from local authority.

### Water

Adequate arrangements with respect to water requirements for drinking purpose are made at all the offices of the Company.

### Technology

Our Company is technology services provider, we have adequate computer systems, servers and other communication equipment's, Internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

## MARKETING

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our management and personnel in marketing team, through their experience and good rapport with these customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company.

To develop customers, our management and other personnel, regularly interacts either directly or indirectly with prospective customers and existing dealer distribution network. To increase our customer base, we identify the prospective clients, understand their requirements, explain them our product range and value addition we can offer. We strictly adhere to the quality expectations of the customers and at times take inputs from them which help us in improving our product's quality and thus enable us to match up to their expected standards. We also intend to expand our existing customer base by reaching out to other geographical areas. We are committed to promote our business by widening our presence through our marketing network.

## COLLABORATIONS

As on date of Prospectus, we do not have any technical, financial and performance guarantee collaborations with any parties.

## CAPACITY AND CAPACITY UTILIZATION

Our Company being in the trading industry, installed capacity and capacity utilization is not applicable to us.

## END USERS

Our products are primarily used by domestic customers. We majorly sell to dealers, traders and distributors who in turn sell directly to customer.

## RAW MATERIAL

Our Company being in the trading industry, there is no requirement of Raw Material.

## EXPORT AND EXPORT OBLIGATIONS

Our Company does not have any Export Obligation under Export Promotion Capital Goods (EPCG) Scheme or any other scheme of Government of India.

## INSURANCE

We believe that our business does not require insurance coverage. We will continue to review our policies to ensure adequate insurance coverage maintained.

## INTELLECTUAL PROPERTY RIGHTS

As on the date of this Prospectus, following are the details of intellectual properties of the Company:

| Sr. No. | Particulars       |                                                            | Status       |
|---------|-------------------|------------------------------------------------------------|--------------|
| 1.      | Trade Name / Logo | <b>DHYAANI INC</b>                                         | Unregistered |
| 2.      | Domain Name       | <a href="http://www.dhyaaniinc.com">www.dhyaaniinc.com</a> | Registered   |

## **KEY INDUSTRY 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 its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Investors. 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 or the LM are under no obligation to update the same.*

### **INDUSTRY RELATED LAWS AND REGULATIONS**

#### **The Bureau of Indian Standards Act, 2016**

The Bureau of Indian Standards Act, 2016 (the “**BIS Act**”) provides for the establishment of the Bureau of Indian Standards (“**BIS**”) for the development of the activities, *inter alia*, standardization, marking and quality certification of goods. Functions of the BIS include, *inter-alia*, (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 to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

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

The Legal Metrology Act, 2009 (“**Act**”), received the assent of the President of India on January 13, 2010. The Act governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weights, measures or numbers. It also states that any transaction/contract relating to goods/class of goods shall be as per the weights/measurements/numbers prescribed under the Act. Every unit of weight or measure shall be in accordance with the metric system based on the international system of units. Using or keeping any weight or measure otherwise than in accordance with the provisions of the said Act is an offence, as is considered as tampering or altering any reference standard, secondary standard or working standard. Moreover, the Act prohibits any person from quoting any price, issuing any price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of this Act. The administration of the Act and regulation of pre-packaging of commodities is done with the help of Legal Metrology (Packaged Commodities) Rules, 2011, (the “**Rules**”) which require every manufacturer, packer and importer who pre-packs or imports any commodity for sale, distribution or delivery to get himself registered under these Rules. Additionally, the Rules also bar anyone from pre-packing or causing or permitting pre-packaging any commodity for sale, distribution or delivery unless a declaration in respect to such pre-packaging has been made on the package in accordance with these Rules.

#### **Legal Metrology (Packaged Commodities) Rules, 2011**

The Central Government in accordance with the powers conferred upon it under the Legal Metrology Act, 2009, has promulgated the Legal Metrology (Packaged Commodities) Rules, 2011 to prescribe the declaration and disclosure of standard quantities or number and the manner of making declarations on pre-packaged goods. Chapter II of the Rules prescribes the packaging and labelling standards for packages intended for retail sale, Chapter III deals with packaging of wholesale products and Chapter IV provides exemption from strict compliance of the rules. Retail sale has been specifically defined under the Rules and given a very wide ambit whereby it has been held to mean sale distribution or delivery through retail sale shops, agencies or any other mode of business to any individual or a group of individuals. Rule 4 of the said Rules mandates the manufacturer to affix a label or print a disclosure confirming that the declarations required under these Rules have been made on the package. Without the said disclosure, the Rules prohibit packing of a product which falls under the ambit of the Rules. The Rules provide the declarations which have to be given by the manufacturer on a product along with the manner and style of making such declarations. Rule 6 of the Rules, lists out the declarations which are to be made by a manufacturer which are *inter alia*, name of the manufacturer, country of origin, generic name of the product, net quantity, in terms of the standard unit of weight or measure of the commodity contained in the package or where the commodity is packed or sold by number, the number of the commodity contained in the package; month or year of manufacture or import, date of expiry along with a disclaimer that the commodity shall be unfit for human consumption post such date of expiry, etc. The other rules prescribed under Chapter II detail the manner and style of making the above declarations with respect to manufacturer, quantity, weight, dimensions, etc. In accordance with Section 15 of the Legal Metrology Act, 2009, the Director, Controller or any Legal Metrology Officer

has been empowered to inspect the packages at the premises of the manufacturer or at the premises of the packer to ensure compliance with the requirements of the Rules. The Rules also empower such officer to seize the packages drawn by him as samples and take adequate steps for the safe custody of the seized packages until they are produced in the appropriate court as evidence and based on the evidence initiate action for violations as per the provisions of the Act and these Rules.

#### **Standards of Weights and Measures Act, 1976**

The Standards of Weights and Measures Act, 1976 (the “**Act**”) was enacted to regulate trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and to provide for such matters as may be connected thereto. The Act enumerates the specific base units to measure goods and products. Any offence under this Act is punishable with imprisonment or fine or with both based on the type of violation.

#### **Consumer Protection Act, 2019**

The Consumer Protection Act, 2019 (“**COPRA**”) will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The COPRA will bring e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA will also provide for mediation cells for early settlement of the disputes between the parties.

#### **Information Technology Act, 2000**

The Information Technology Act, 2000 (the “**IT Act**”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

#### **Electricity Act, 2003**

The Electricity Act, 2003 (the “**Electricity Act**”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid. The Electricity Act also states the mechanism for seeking judicial relief by setting up an Appellate Tribunal and laying down the process to seek justice against the orders of the Commission established under the Electricity Act.

## **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.

## **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

## **Transfer of Property Act, 1882**

The Transfer of Property Act, 1882 (the “T.P. Act”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

## **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.

## **Indian Stamp Act, 1899**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “Act”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

## **TAX RELATED LAWS**

**Finance Act, 2021**

The Finance Act, 2021 received the assent of the President on March 28, 2021 and came into force on April 01, 2021 to give effect to the financial proposals of the Central Government for the financial year 2021-22. This Act contains necessary amendments in direct and indirect taxes signifying the policy decisions of the Union Government for the year 2021-22.

**Income Tax Act, 1961**

The Income Tax Act, 1961 is applicable to every domestic and foreign company whose income is taxable under the Provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of income” involved. Under Section 139(1), every company is required to file its Income Tax Return for every Previous Year by October 31 of the Assessment Year. Other compliances like those relating to tax deductions and exemptions, fringe benefit tax, advance tax and minimum alternative tax, etc., are also required to be complied with by every company.

**Goods and Service Tax (GST)**

Goods and Service Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It is governed by the GST Council and provides for the imposition of tax on the supply of goods or services and will be levied by the Centre on intra-State supply of goods or services and by the States including Union Territories. A destination-based consumption tax GST would be a dual GST with the Centre and State simultaneously levying tax with a common base. The GST law is enforced by various laws, namely the Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

These enactments replace the following indirect taxes and duties at the Central and State levels: Central Excise Duty, Duties of Excise, additional duties on excise – goods of special importance– special additional duty of customs, Service Tax, Central and State Surcharges and cesses relating to the supply of goods and services, State VAT, Central Sales Tax, Luxury Tax, Entry Tax, etc.

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

The Gujarat Goods and Services Tax Act, 2017 makes provisions for the levy and collection of intra-state supply of goods or services or both within the State of Gujarat and the matters connected therewith or incidental thereto. The Act details the scope of supply, the levy and collection of tax, exemptions from tax, registration, returns, and other such related or incidental matters.

**The Customs Act, 1962 (the “Customs Act” or the “Act”)**

The Customs Act came into force in India with effect from February 01, 1963. The Customs Act deals with the levy of customs duty, the power of the central government to prohibit import and export of certain goods and prevention and detection of illegally imported goods. Section 8 of the Customs Act empowers the Commissioner of Customs to approve proper places in any customs port or customs airport or coastal port for the unloading and loading of goods or for any class of goods. The Commissioner of Customs is also empowered to specify limits of any customs area. Under the Customs Act, the Central Board of Excise and Customs (“CBEC”) is empowered to appoint, by notification, *inter alia*, ports or airports as customs ports or customs airports and places as the Inland Container Depot (“ICD”). Section 45 of the Customs Act lays down that all imported goods unloaded in a customs area shall remain in the custody of the person approved by the Commissioner of Customs until they are cleared for home consumption or warehouse or transhipped. The custodian is required to keep a record of such goods and send a copy of the record to the designated officer. The custodian shall not permit the goods to be removed unless approved by the designated authority. The Customs Act, further provides that if the goods are pilfered while in the custody of the custodian, then such custodian shall be liable to pay duty on such goods. The said Act contains provision for levying the custom duty on imported goods, export goods, goods which are not cleared, goods warehoused or transhipped within 30 days after unloading etc. It also provides for storage of imported goods in warehouses pending clearance, for goods in transit etc., subject to prescribed conditions.

The Customs Act provides for levy of penalty and/or confiscation of, *inter alia*, prohibited or dutiable goods that are imported into or exported from an area that is not appointed as a customs port or customs airport or are imported or exported without payment of requisite duty. Additionally, any owner of motor vehicle is required to obtain written permission from the Commissioner of Customs for transhipment of imported goods by a motor vehicle, pursuant to the Goods Imported (Conditions of Transhipment) Regulations, 1995. By a notification dated March 17, 2009, the CBEC and Customs has notified the Handling of Cargo in Customs Area Regulations, 2009 which specify the eligibility requirements and responsibilities of persons who are receive, store, deliver or otherwise handle imported goods in the customs area.

**Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976**

Every person engaged in any profession, trade, callings and employment is liable to pay tax at the rate prescribed by the State Government of Gujarat. It is considered necessary to levy tax on profession, trade callings and employment in order to augment state revenues, and every state is empowered by the Constitution of India to make laws relating to the levy of taxes on professions, trades, callings and employments that shall serve as the governing provisions in that state.

## **A. Foreign Investment related Laws and Regulations**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) from time to time. Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in the animal husbandry sector, under the automatic route.

As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 (“**SEBI FPI Regulations**”), investments by Foreign Portfolio Investors (“**FPIs**”) in the capital of an Indian company under the SEBI FPI Regulations are subject to individual holding limits of 10% of the total paid up equity capital on a fully diluted basis of the company per FPI. If the investment exceeds the threshold limit of 10% the investor must divest the excess holding within five days of the breach, and if not accordingly divested, the entire investment in the company by the FPI shall be considered as FDI and the FPI will be prohibited from making further investments in the company under the regulations.

### **Overseas Direct Investment (“ODI”)**

In terms of the Master Direction No. 15/2015-16 on Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad issued by the RBI, dated January 1, 2016, an Indian entity can make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

## **INTELLECTUAL PROPERTY LAWS**

### **Information Technology Act, 2000**

The Information Technology Act, 2000 (the “**IT Act**”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

### **Indian Patents Act, 1970**

The purpose of the Indian Patents Act, 1970 (the “**Act**”) is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the terms of the patent. An invention means a new product or process involving an inventive step capable of industrial application. An application for a patent can be made by (a) a person claiming to be the true and first inventor of the invention; (b) a person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application.

### **Trade Marks Act, 1999**

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trade Mark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trade Mark (Amendment) Act, 2010 has been enacted by the

Government to amend the Trade Mark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

## EMPLOYMENT RELATED LAWS

- The Code on Wages, 2019
- The Occupational Safety, Health and Working Conditions Code, 2020
- The Industrial Relations Code, 2020
- The Code on Social Security, 2020
- Contract Labour (Regulation and Abolition) Act, 1970
- Minimum Wages Act, 1948
- Payment of Wages Act, 1936
- Workmen’s/Employee’s Compensation Act, 1923
- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
- Employees’ State Insurance Act, 1948
- Industrial Employment (Standing Orders) Act, 1946
- Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957
- Payment of Bonus Act, 1965
- Payment of Gratuity Act, 1972
- Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976
- Public Liability Insurance Act, 1991
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- The Employers’ Liability Act, 1938
- The Personal Injuries (Compensation Insurance) Act, 1963
- Apprentices Act, 1961
- Child Labour (Prohibition and Regulation) Act, 1986

## 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, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Anti-Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 1956 and Companies Act, 2013 are also applicable to the Company.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was incorporated as “*Dhyani Enterprise Private Limited*” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 9, 2014 bearing Registration No. 081004 issued by the Registrar of Companies, Ahmedabad, Gujarat. Further, name of our company was changed to “*Dhyaani Tile and Marblez Private Limited*” vide special resolution dated October 14, 2021. A fresh certificate of incorporation consequent to change of name was issued to our Company by the Registrar of Companies, Ahmedabad on October 18, 2021. Further our Company was converted into a Public Limited Company and the name of our Company was changed to “*Dhyaani Tile and Marblez Limited*” vide special resolution dated October 22, 2021. A fresh certificate of incorporation consequent to conversion into public limited Company was issued to our Company by the Registrar of Companies, Ahmedabad on November 9, 2021. The corporate identification number of our Company is U51900GJ2014PLC081004. For further details, including change in our Registered Office, please refer the chapter “*History and Certain Corporate Matters*” beginning on Page No. 78 of this Prospectus.

Our Company has seven (7) shareholders as on the date of filing of this Prospectus. For further details regarding Shareholding pattern, please refer chapter titled “*Capital Structure*” beginning on Page No. 42 of this Prospectus.

### **CORPORATE PROFILE OF OUR COMPANY**

For information on our Company’s business profile, activities, services and managerial competence, please refer chapter titled “*Our Management*”, “*Our Business*” and “*Our Industry*” beginning on Page No. 81, 66 and 59, respectively of this Prospectus.

### **CHANGES IN REGISTERED OFFICE OF OUR COMPANY**

The registered office of our Company was originally situated at Block No 41, Umiya Park Society, Mayurnagar, Halvad Road, Dhrangadhra, Surendranagar - 363310, Gujarat, India. Thereafter, the registered office of our Company was changed to the following address:

| Date of Change    | New address                                                                                                    | Reason for Change       |
|-------------------|----------------------------------------------------------------------------------------------------------------|-------------------------|
| February 07, 2019 | D-1014, Titanium City Center, Anandnagar Road, Nr. Sachin Tower, Satellite, Ahmedabad – 380015, Gujarat, India | Administrative purposes |
| May 24, 2021      | 420 Times Square Arcade, Opp. Rambaug, Thaltej-Shilaj Road, Thaltej Ahmedabad – 380059, Gujarat, India         | Administrative purposes |

### **MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on in India or elsewhere the business as exporter, importer, trader, buyer, seller, merchant, agent, dealer, supplier, wholesaler, distributor, commission agent, broker, stockiest, factor, consigner, collaborator, franchiser, concessionaire, consultant, advisor, manufacturer's representative, processor, job worker, assembler, repairer and other wise to deal in all kinds of industrial, commercial, consumer, capital, goods, item, things, articles, commodities, merchandise, products weather finished, semi-finished or raw material including Plants and machineries, Equipments, Home Appliances, Households, Electrics and Electronic goods, Computer Hardware, Software, Gift article, Garments, Cotton, Yarns, Fabrics, Synthetics, textile goods and products, Foot wares, Leather Products, Decorative, Glass, and glass products, Glass ware, Minerals, Fertilizers, Pesticides, cereals, Flours, Fruits, Dry fruits, Vegetables, Seeds, Grains, Agriculture produces and products. Food grains, Spices, Tea, Coffee, Beverages, Soft drinks, Foods and food products, Marine products, Milk and Dairy products, Sweets, Drugs, Medicines, Pharmaceuticals. Healthcare products, Herbal and Ayurvedic products, Cosmetics, stone, Marble, Granite, Cement, Cement products, Ceramic Tiles, Ceramics products, Ceramics Materials, Building Materials, Sanitary ware, Kitchenware, Earthenware, Potteries, Cookeries, Bathroom Fittings and accessories, Home furnishings and Decorative goods, Hardware, Hardware fittings, Wood and Wooden Articles, furniture and fittings, Colours, Paints, Pigments, Chemicals, Dyes and Intermediates, Diamond, Gold Jewellery. Novelty, Stationery, Steel, Brass, Aluminium Products, Ferrous and non-ferrous metals, Automobiles, Solvent, Petrochemicals, Petroleum Products, Mining products, Plastics and Ploymers products.

### **AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION**

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

| Date of Resolution | Nature of Amendment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| February 06, 2019  | <p>Amendment in clause III (A) of MOA pursuant to alteration in object from:</p> <p><i>To carry on in India and abroad the business of plantation of all types of trees and plants, herbs, shrubs as a farm forestry or otherwise for commercial, domestic, industrial and other purposes and to carry on the business as agriculturists, horticulturists, nursery owners, forest owners by cultivation and farming on land, water or in special chambers and to plant, grow, cultivate, produce, raise, develop, purchase, sell, import, export, protect, store, commercialize or deal in or turn to account or dispose of any kind of crops, grains, Yarn, cotton, Cotton Seeds, Edible Oil and other Agro products and all type of Agricultural inputs like soil mix, compost, manure, fertilizer, plant tonics, growth enhancer, leaves, roots, barks, grass, timbers, fruits, vegetables and other produce and products, by-products, organic and inorganic and waster reduce.</i></p> <p style="text-align: center;">to</p> <p><i>To carry on in India or elsewhere the business as exporter, importer, trader, buyer, seller, merchant, agent, dealer, supplier, wholesaler, distributor, commission agent, broker, stockiest, factor, consigner, collaborator, franchiser, concessionaire, consultant, advisor, manufacturer's representative, processor, job worker, assembler, repairer and other wise to deal in all kinds of industrial, commercial, consumer, capital, goods, item, things, articles, commodities, merchandise, products weather finished, semi-finished or raw material including Plants and machineries, Equipments, Home Appliances, Households, Electrics and Electronic goods, Computer Hardware, Software, Gift article, Garments, Cotton, Yarns, Fabrics, Synthetics, textile goods and products, Foot wares, Leather Products, Decorative, Glass, and glass products, Glass ware, Minerals, Fertilizers, Pesticides, cereals, Flours, Fruits, Dry fruits, Vegetables, Seeds, Grains, Agriculture produces and products. Food grains, Spices, Tea, Coffee, Beverages, Soft drinks, Foods and food products, Marine products, Milk and Dairy products, Sweets, Drugs, Medicines, Pharmaceuticals. Healthcare products, Herbal and Ayurvedic products, Cosmetics, stone, Marble, Granite, Cement, Cement products, Ceramic Tiles, Ceramics products, Ceramics Materials, Building Materials, Sanitary ware, Kitchenware, Earthenware, Potteries, Cookeries, Bathroom Fittings and accessories, Home furnishings and Decorative goods, Hardware, Hardware fittings, Wood and Wooden Articles, furniture and fittings, Colours, Paints, Pigments, Chemicals, Dyes and Intermediates, Diamond, Gold Jewellery. Novelty, Stationery, Steel, Brass, Aluminium Products, Ferrous and non-ferrous metals, Automobiles, Solvent, Petrochemicals, Petroleum Products, Mining products, Plastics and Ploymers products.</i></p> |
| August 12, 2021    | <p>Amendment in clause V of MOA pursuant to Increase in capital from:</p> <p><i>“The authorized share capital of our Company on incorporation comprised of ₹ 5,00,000/- divided into 50,000 Equity Shares of ₹ 10/- each.”</i></p> <p style="text-align: center;">to</p> <p><i>“The authorized share capital of our Company on incorporation comprised of ₹ 1,60,00,000/- divided into 16,00,000 Equity Shares of ₹ 10/- each.”</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| October 14, 2021   | Amendment in clause I of the MOA pursuant to change of name from “Dhyani Enterprise Private Limited” to “Dhyaani Tile and Marblez Private Limited”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| October 22, 2021   | Amendment in clause I of the MOA pursuant to conversion of company from Private to Public from “Dhyaani Tile and Marblez Private Limited” to “Dhyaani Tile and Marblez Limited”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

## MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

| Year | Major Event                                                      |
|------|------------------------------------------------------------------|
| 2021 | Change of name and business of the company                       |
|      | Conversion of the company from private limited to public limited |

## LOCKOUT AND STRIKES

Except standard government holidays or statutory lockouts, there have been no instances of strikes or lockouts at any time in our Company.

## **SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS**

As on date of this Prospectus, apart from the various arrangements with bankers and financial institutions, which our Company undertakes in the ordinary course of business, our Company has not entered into any Significant Financial or Strategic Partnerships.

## **TIME AND COST OVERRUN IN SETTING UP PROJECTS**

As on date of this Prospectus, there has been no material time and cost overruns in the Company.

## **CAPACITY/FACILITY CREATION, LOCATION OF PLANTS**

Our Company is engaged in the business of Real Estate Construction and Development and hence capacity creation and related information is not applicable.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company since its date of incorporation, which may have had a material adverse effect on the profits, and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **ACQUISITION OF BUSINESSES / UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

## **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS**

Our Company has not divested any of its business / undertaking since its inception.

## **OUR HOLDING COMPANY**

We do not have a holding company as on the date of this Prospectus.

## **OUR SUBSIDIARIES**

We do not have a subsidiary company as on the date of this Prospectus.

## **SHAREHOLDERS AGREEMENT AND OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on, our Company has not entered into any Shareholders Agreement or other agreements as on date of this Prospectus.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY**

Except agreements entered into ordinary course of business, there are no agreements entered into by key managerial personnel or a Director or Promoter 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**

As on the date of this Prospectus, Promoters have issued not issued guarantee except as disclosed in the “Financial Statements” beginning on Page No. 97 of this Prospectus.

## **AGREEMENTS WITH STRATEGIC PARTNERS, JOINT VENTURE PARTNERS AND/OR FINANCIAL PARTNERS AND OTHER AGREEMENTS**

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

## **INJUNCTIONS OR RESTRAINING ORDERS**

There are no injunctions / restraining orders that have been passed against the Company.

## OUR MANAGEMENT

### Board of Directors:

Our Company has five (5) Directors consisting of one (1) Managing Director, one (1) Executive Director, one (1) Non-Executive Directors and two (2) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Nationality | Age      | Other Directorships                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|-------------------------------------------------------------------------------------------|
| <b>Mr. Chintan Nayan Bhai Rajyaguru</b><br><i>(Managing Director)</i><br><b>Date of Birth:</b> November 18, 1991<br><b>Address:</b> C/804, Aaryan Embassy, Ambli Ring Road, Near Isckon Platinum, Ahmedabad Gujarat - 380058<br><b>Date of Appointment as Director:</b> May 24, 2021<br><b>Date of Appointment as Managing Director:</b> November 15, 2021<br><b>Term:</b> Appointed as Managing Director for a period of five years i.e. till November 14, 2026.<br><b>Occupation:</b> Business<br><b>DIN:</b> 08091654 | Indian      | 30 Years | Nil                                                                                       |
| <b>Mr. Nayankumar Labhshankar Rajyaguru</b><br><i>(Executive Director)</i><br><b>Date of Birth:</b> August 20, 1961<br><b>Address:</b> B-86, Vrajdharm Society, Ajwa Road, Kamlanagar, Vadodara, Gujarat – 390019, India<br><b>Date of appointment as Executive Director:</b> December 31, 2020<br><b>Term:</b> Liable to retire by rotation<br><b>Occupation:</b> Business<br><b>DIN:</b> 08997548                                                                                                                      | Indian      | 60 Years | <ul style="list-style-type: none"> <li>Gandhinagar Leasing And Finance Limited</li> </ul> |
| <b>Mrs. Ilaben Nayanbhai Rajyaguru</b><br><i>(Non-Executive Director)</i><br><b>Date of Birth:</b> April 26, 1971<br><b>Address:</b> B-86, Vrajdharm Society, Ajwa Road, Kamlanagar, Vadodara, Gujarat – 390019, India<br><b>Date of appointment as Non-Executive Director:</b> July 15, 2021<br><b>Term:</b> Liable to retire by rotation<br><b>Occupation:</b> Business<br><b>DIN:</b> 08091655                                                                                                                        | Indian      | 50 Years | <ul style="list-style-type: none"> <li>Gandhinagar Leasing And Finance Limited</li> </ul> |
| <b>Mr. Paras Jivarajbhai Viramgama</b><br><i>(Additoinal Non-Executive Independent Director)</i><br><b>Date of Birth:</b> May 23, 1991<br><b>Address:</b> 103, Landscape Apartments, Near Sun City Tower, Sadhuwaswani Road, University Road, Rajkot – 360005, Gujarat, India<br><b>Date of Appointment as Non-Executive Independent Director:</b> November 15, 2021<br><b>Term:</b> 5 Years from Date of Appointment<br><b>Occupation:</b> Professional<br><b>DIN:</b> 08637846                                         | Indian      | 30 Years | <ul style="list-style-type: none"> <li>Setu Finvest Advisors Private Limited</li> </ul>   |

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                       | Nationality | Age      | Other Directorships |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|---------------------|
| <b>Mr. Vishal Kantibhai Sondagar</b><br><i>(Additional Non-Executive Independent Director)</i><br><b>Date of Birth:</b> October 11, 1987<br><b>Address:</b> Sai Vandana Street-2, Sardarnagar, Amreli, Gujarat – 365601, India<br><b>Date of Appointment as Non-Executive Independent Director:</b> November 15, 2021<br><b>Term:</b> 5 Years from Date of Appointment<br><b>Occupation:</b> Professional<br><b>DIN:</b> 09354153 | Indian      | 34 Years | Nil                 |

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below.

#### Notes:

- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on any Stock Exchange, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations, 2018.
- None of the Promoter or Directors has been or is involved as a Promoter or director of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

#### Relationship between Directors and KMPs

Except as disclosed below, none of our directors are related to each other in terms of the definition of ‘relative’ under Section 2 (77) of the Companies Act, 2013:

| Name of Director                     | Name of Other Director               | Relationship |
|--------------------------------------|--------------------------------------|--------------|
| Mr. Chintan Nayan Bhai Rajyaguru     | Mr. Nayankumar Labhshankar Rajyaguru | Son – Father |
| Mr. Chintan Nayan Bhai Rajyaguru     | Mrs. Ilaben Nayanbhai Rajyaguru      | Son – Mother |
| Mr. Nayankumar Labhshankar Rajyaguru | Mrs. Ilaben Nayanbhai Rajyaguru      | Spouse       |

#### Brief Biographies of Our Directors

**Mr. Chintan Nayan Bhai Rajyaguru**, aged 30 years is the Managing Director of the company. He has experience of 4 years in trading business. He is an under Graduate. He is associated with our company since May 24, 2021. He started his carrier as entrepreneur and acquired this company. He is responsible for the most prominent role i.e. leadership role over the procurement and sales, overseeing all activities of the department and identifying the business’s developmental needs ensuring that there is consistency with core competencies and goals and the performance of the company which is generally dictated by the board’s overall strategy.

**Mr. Nayankumar Labhshankar Rajyaguru**, aged 60 years, is Executive Director of the company. He has experience of close to 10 years in accounting. He is a Commerce Graduate from Kankia Arts and Sanghavi Commerce Collage affiliated with Saurashtra University. He is associated with the company since December 31, 2020. He look after the financial aspects of the business.

**Mrs. Ilaben Nayanbhai Rajyaguru**, aged 50 years is Non-Executive Director of the company. She has completed studies till second year graduation in commerce from N.C. Bodiwala Collage of Commerce affiliated with Gujarat University. She is associated with the company since July 15, 2021.

**Mr. Paras Jivarajbhai Viramgama**, aged 30 years is additional independent director of the company. He is a commerce graduate from Gujarat University and associate member of the Institute of Company Secretaries of India. He has experience of close to 5 years in secretarial and legal practices in India. He is associated with our company since November 15, 2021.

**Mr. Vishal Kantibhai Sondagar**, aged 34 years, is additional independent director of the company. He is a commerce and law graduate from Gujarat University and fellow member of the Institute Of Company Secretaries Of India. He has experience of close to 8 years in secretarial and legal practices in India. He is associated with our company since November 15, 2021.

## Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on January 17, 2022 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of moneys which together with the moneys already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in ordinary course of business) shall not exceed in the aggregate at any one time ₹ 240 Crores (Rupees Two Hundred Forty Crores Only) irrespective of the fact that such aggregate amount of borrowings outstanding at any one time may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

## Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 15, 2021 and approved by the Shareholders of our Company at the EGM held on January 06, 2022, Mr. Chintan Nayan Bhai Rajyaguru was appointed as the Managing Director of our Company for a period of five (05) years with effect from November 15, 2021 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Basic Salary</b>         | Upto 20 Lakhs Per Annum                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Minimum Remuneration</b> | In the event of loss or inadequacy of profits in any financial year, Mr. Chintan Nayan Bhai Rajyaguru shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company. |

## Remuneration of Executive Directors

The compensation package payable to them as resolved in the shareholders meeting held on August 31, 2020 is stated as below:

| Name of the Directors               | Current Designation | Maximum Remuneration Paid shall not exceed (in ₹) | Remuneration paid in FY 2019-20 (in ₹) |
|-------------------------------------|---------------------|---------------------------------------------------|----------------------------------------|
| Mr. Nayanbhai Labhshankar Rajyaguru | Director            | Upto 5 Lacs (Per Annum)                           | Nil                                    |

## Remuneration Paid to Directors of Our Subsidiaries or Associate Companies

As on date of filing this Prospectus, the Company doesn't have any Subsidiary or Associate Company.

## Compensation to the Non-Executive Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on January 13, 2021 the Non-Executive Independent Directors will be paid ₹ 1,000/- each for attending every Board Meeting & every committee meeting of the Company by them.

No remuneration and sitting fees was paid to our Non-Executive Director and Non-Executive Independent Directors in FY 2020-21.

## Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Prospectus:

| Name of Directors                   | No. of Equity Shares held | % of Pre-Issue Paid Up Capital |
|-------------------------------------|---------------------------|--------------------------------|
| Mr. Chintan Nayan Bhai Rajyaguru    | 9,76,000                  | 93.85%                         |
| Mrs. Ilaben Nayanbhai Rajyaguru     | 24,000                    | 2.31%                          |
| Mr. Nayankumar Labhshakar Rajyaguru | 8,000                     | 0.77%                          |
| Mr. Paras Jivarajbhai Viramgama     | -                         | -                              |
| Mr. Vishal Kantibhai Sondagar       | -                         | -                              |
| <b>Total Holding of Directors</b>   | <b>10,08,000</b>          | <b>96.92%</b>                  |
| <b>Total Paid up Capital</b>        | <b>10,40,000</b>          | <b>100.00%</b>                 |

## Interest of the Directors

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “Financial Statements” and “Our Promoter and Promoter’s Group” beginning on Page No. 97 and 92 of this Prospectus.

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “Our Management” and the chapter titled “Financial Statements” beginning on Page No. 81 and 97 of this Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “Properties” within the section titled “Our Business” on Page No. 66 of this Prospectus, our Directors have no interest in any property acquired or proposed to be acquired by our Company as on the date of this Prospectus.

## Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

| Sr. | Name of Director                    | Date of Change     | Reason for change                  |
|-----|-------------------------------------|--------------------|------------------------------------|
| 1.  | Mr. Kiritkumar Mathurbhai Patel     | February 13, 2019  | Appointment as Additional Director |
| 2.  | Mr. Shatrugna Chhaganbhai Patel     | February 13, 2019  | Appointment as Additional Director |
| 3.  | Mr. Mansukhlal Ishvarlal Patel      | February 21, 2019  | Resignation of Director            |
| 4.  | Mr. Dhanpal Mansukhbhai Patel       | February 21, 2019  | Resignation of Director            |
| 5.  | Mr. Kiritkumar Mathurbhai Patel     | September 30, 2019 | Regularization of Director         |
| 6.  | Mr. Shatrugna Chhaganbhai Patel     | September 30, 2019 | Regularization of Director         |
| 7.  | Mr. Kiritkumar Mathurbhai Patel     | March 30, 2020     | Resignation of Director            |
| 8.  | Mr. Chintan Jitendrakumar Patel     | March 30, 2020     | Appointment as Director            |
| 9.  | Mr. Nayanbhai Labhshankar Rajyaguru | December 31, 2020  | Appointment as Additional Director |
| 10. | Mr. Nirav Mansukhbhai Pattni        | April 01, 2021     | Appointment as Additional Director |
| 11. | Mr. Shatrugna Chhaganbhai Patel     | April 01, 2021     | Resignation of Director            |
| 12. | Mr. Chintan Nayan Bhai Rajyaguru    | May 24, 2021       | Appointment as Additional Director |
| 13. | Mr. Chintan Jitendrakumar Patel     | May 24, 2021       | Resignation of Director            |

|     |                                  |                   |                                                |
|-----|----------------------------------|-------------------|------------------------------------------------|
| 14. | Mrs. Ilaben Nayanbhai Rajyaguru  | July 15, 2021     | Appointment as Additional Director             |
| 15. | Mr. Nirav Mansukhbhai Pattni     | July 15, 2021     | Resignation of Director                        |
| 16. | Mr. Chintan Nayan Bhai Rajyaguru | November 15, 2021 | Change of designation to Managing Director     |
| 17. | Mr. Paras Jivarajbhai Viramgama  | November 15, 2021 | Appointment as Additional Independent Director |
| 18. | Mr. Vishal Kantibhai Sondagar    | November 15, 2021 | Appointment as Additional Independent Director |

## Corporate Governance

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including the constitution of our Board and committees thereof and formulation and adoption of various policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific operational areas.

Currently, our board has five (5) Directors consisting of one (1) Managing Director, one (1) Executive Director, one (1) Non-Executive Directors and two (2) Non-Executive Independent Directors. We have one (1) woman director on our Board.

## Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee

### 1. Audit Committee

Our Company has constituted the Audit Committee in accordance with Section 177 and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines. Further, the Audit Committee was constituted by way of a Board resolution dated January 13, 2021. The audit committee presently consists of the following Directors of the Board:

| Name of the Member               | Nature of Directorship | Designation in Committee |
|----------------------------------|------------------------|--------------------------|
| Mr. Vishal Kantibhai Sondagar    | Independent Director   | Chairman                 |
| Mr. Paras Jivarajbhai Viramgama  | Independent Director   | Member                   |
| Mr. Chintan Nayan Bhai Rajyaguru | Managing Director      | Member                   |

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairperson of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the Shareholders in any matter relating to accounts.

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

### A. Powers of Audit Committee

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

### B. Role of the Audit Committee

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
  2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    - b. Changes, if any, in accounting policies and practices and reasons for the same;
    - c. Major accounting entries involving estimates based on the exercise of judgment by management;
    - d. Significant adjustments made in the financial statements arising out of audit findings;
    - e. Compliance with listing and other legal requirements relating to financial statements;
    - f. Disclosure of any related party transactions; and
    - g. Qualifications in the draft audit report.
  5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Monitoring the end use of funds raised through public offers and related matters;
  8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  9. Approval of any subsequent modification of transactions of the company with related parties;
- Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.
10. Scrutiny of inter-corporate loans and investments;
  11. Valuation of undertakings or assets of the company, wherever it is necessary;
  12. Evaluation of internal financial controls and risk management systems;
  13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  14. 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;
  15. Discussion with internal auditors of any significant findings and follow up there on;
  16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  19. Reviewing the functioning of the whistle blower mechanism;
  20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.]

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

## 2. Nomination and Remuneration Committee

Our Company has constituted Nomination and Remuneration Committee in terms of Section 178, Schedule V and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on January 13, 2021. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

| Name of the Member              | Nature of Directorship | Designation in Committee |
|---------------------------------|------------------------|--------------------------|
| Mr. Paras Jivarajbhai Viramgama | Independent Director   | Chairman                 |
| Mr. Vishal Kantibhai Sondagar   | Independent Director   | Member                   |
| Mrs. Ilaben Nayanbhai Rajyaguru | Non-Executive Director | Member                   |

The Company Secretary of the Company shall act as a secretary to the Nomination and Remuneration Committee. The Chairperson of the committee is entitled to attend the General Meeting of the Company to furnish clarifications to the Shareholders on any matter relating to remuneration.

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

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Roles and Powers of Committee:**
  1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.
3. Formulation of criteria for evaluation of performance of independent directors and our Board;
4. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
5. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
7. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
8. Decide the amount of Commission payable to the Whole time Directors.
9. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
10. To formulate and administer the Employee Stock Option Scheme.
11. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
12. To perform such other functions as may be necessary or appropriate for the performance of its duties.

### 3. Stakeholder's Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated January 13, 2021. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

| Name of the Member              | Nature of Directorship | Designation in Committee |
|---------------------------------|------------------------|--------------------------|
| Mrs. Ilaben Nayanbhai Rajyaguru | Non-Executive Director | Chairperson              |
| Mr. Paras Jivarajbhai Viramgama | Independent Director   | Member                   |
| Mr. Vishal Kantibhai Sondagar   | Independent Director   | Member                   |

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.]
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
10. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

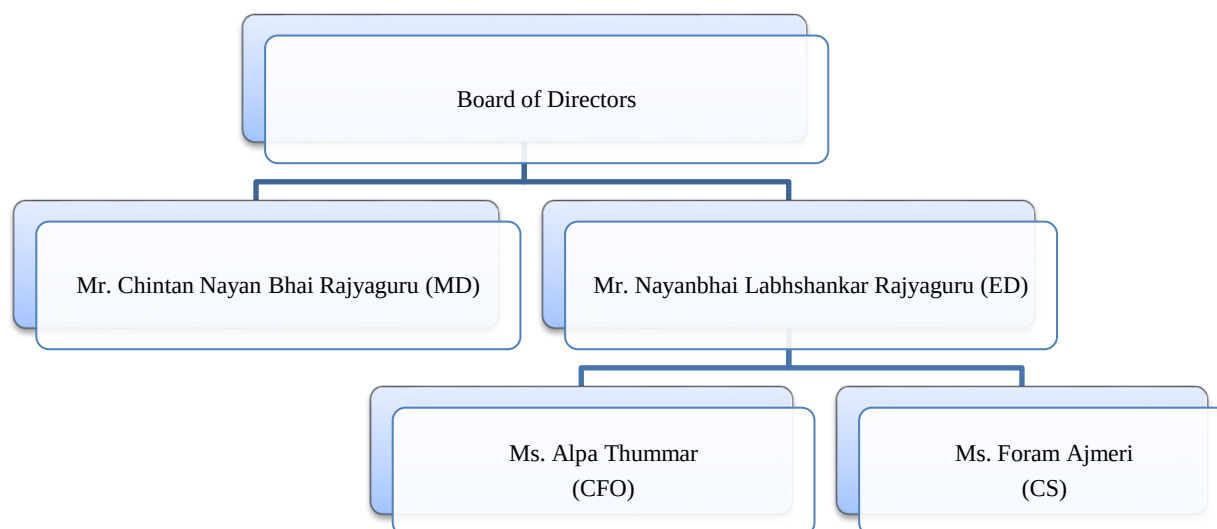
As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Ms. Foram Ajmeri (company Secretary & Compliance Officer) will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

## Management Organization Structure



### Terms & Abbreviations:

|         |   |                                          |
|---------|---|------------------------------------------|
| MD      | - | Managing Director                        |
| ED      | - | Executive Director                       |
| CEO     | - | Chief Executive Officer                  |
| CFO     | - | Chief Financial Officer                  |
| CS & CO | - | Company Secretary and Compliance Officer |

### Key Managerial Personnel

The details of our key managerial personnel are as below:

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 Prospectus:

**Ms. Forma Ajmeri**, aged 24 years, is the Company Secretary and Compliance Officer of our Company. She is a law graduate from The Maharaja Sayajirao University of Baroda. She is an associate member of the Institute of Company Secretaries of India. She has experience of about 2 year in secretarial and legal practices in India. She has not received remuneration during the Fiscal 2021.

**Ms. Alpa Thummar**, aged 26 years, is the Chief Finance Officer of our Company. She is a post graduate commerce from Gujarat University. She has experience of about 5 year in finance in India. She has not received remuneration during the Fiscal 2021.

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

### Relationship amongst the Key Managerial Personnel

None of the aforementioned KMPs are related to each other.

### Arrangement / Understanding with Major Shareholders / Customers / Suppliers

None of the KMPs have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

### Shareholding of Key Managerial Personnel

None of our KMPs hold any shares of our Company as on the date of this Prospectus. For details in relation to Shareholding Pattern, please refer to chapter titled "*Capital Structure*" beginning on Page No. 42 of this Prospectus.

### Contingent and deferred compensation payable to our Director and Key Managerial Personnel

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

## **Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to/ in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

## **Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years**

As on the date of filing of this Prospectus, our Company does not have a bonus or a profit sharing plan with the Key Management Personnel nor have we proposed any allotment of equity shares by way of employee stock options.

## **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

## **Loans availed by Directors / Key Managerial Personnel of our Company**

None of the Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Prospectus.

## **Employee Share Purchase and Employee Stock Option Scheme**

Presently, we do not have ESOP/ESPS scheme for employees.

## **Payment or Benefit to our Key Managerial Personnel**

Except for the payment of salaries and yearly bonus, we do not provide any other benefits to our employees.

## **Changes in the Key Managerial Personnel in the three years preceding the date of filing this Prospectus**

Except as mentioned below, there has been no change in KMPs in past three years from the date of this Prospectus:

| Name                             | Reason                               | Date              |
|----------------------------------|--------------------------------------|-------------------|
| Mr. Chintan Nayan Bhai Rajyaguru | Appointment as Managing Director     | November 15, 2021 |
| Ms. Foram Ajmeri                 | Appointment as Compliance Officer    | June 01, 2021     |
| Ms. Alpa Thummar                 | Appointment as Chief Finance Officer | November 15, 2021 |

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTERS

The Promoter of our Company is Mr. Chintan Nayan Bhai Rajyaguru. As on date of filing this Prospectus, our Promoters hold 9,76,000 Equity Shares representing 93.85% of the pre-issue Paid up Share Capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please refer "*Shareholding of our Promoters*" from chapter titled "*Capital Structure*" beginning on Page No. 42 of this Prospectus.

The details of our Promoter is provided below:

| Mr. Chintan Nayan Bhai Rajyaguru                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>Mr. Chintan Nayan Bhai Rajyaguru</b> , aged 30 years is the Managing Director of the company. He has experience of 4 years in trading business. He is an under Graduate. He is associated with our company since May 24, 2021. He started his career as entrepreneur and acquired this company. He is responsible for the most prominent role i.e. leadership role over the procurement and sales, overseeing all activities of the department and identifying the business's developmental needs ensuring that there is consistency with core competencies and goals and the performance of the company which is generally dictated by the board's overall strategy |
|                                                                                   | <b>Date of Birth:</b> November 18, 1991                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|                                                                                   | <b>Address:</b> C/804, Aaryan Embassy, Ambli Ring Road, Near Isckon Platinum, Ahmedabad Gujarat - 380058                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                   | <b>PAN:</b> AZRPR1657A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                   | <b>Passport No.:</b> N7769830                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                   | <b>Driver's License No.:</b> Not Available                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                                                   | <b>Aadhar Card No.:</b> 464593933856                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

For further details on our Individual Promoters, please refer the chapter titled "*Our Management*" beginning on Page No. 81 of this Prospectus.

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account Number, Passport Number of our Promoters will be submitted to the Stock Exchange at the time of filing of the Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or as fugitive economic offenders under Section 12 of Fugitive Economic Offenders Act, 2018 or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them.

None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a Promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### CHANGE IN CONTROL OF OUR COMPANY

There has been no change in the management or control of our Company. For further details, please refer to chapter titled as "*Capital Structure*" beginning on Page No. 42 of this Prospectus.

### INTERESTS OF PROMOTERS

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and

associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding.

For further details on the interest of our Promoters in our Company, Please refer the chapters titled “*Capital Structure*”, “*Our Business*”, “*Financial Information*” and “*Our Management*” beginning on Page No. 42, 66, 97 and 81 of this Prospectus, respectively.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

For further details on the related party transaction, to the extent of which our Company is involved, please refer “*Related Party Transaction*” in chapter titled “*Financial Information*” beginning on Page No. 97 of this Prospectus.

## INTEREST OF PROMOTERS IN THE PROMOTION OF OUR COMPANY

The Promoters currently promote our Company in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding in our Company and the dividend declared, if any, by our Company.

## INTEREST OF PROMOTERS IN THE PROPERTY OF OUR COMPANY

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus. For more details, please refer “*Related Party Transactions*” in chapter titled “*Financial Information*” beginning on Page No. 97 of this Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on Page No. 66 of this Prospectus, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our Promoters may be interested in rent being paid by our Company for the premises being occupied by the Company. For further details, please refer chapter titled “*Our Business*” and “*Financial Information*” beginning on Page No. 97 and 66 of this Prospectus, respectively.

## OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018.

### **A. Natural Persons who are Part of the Promoter Group:**

| Relationship with Promoter | Mr. Chintan Nayan Bhai Rajyaguru |
|----------------------------|----------------------------------|
| Father                     | Mr. Nayanbhai Rajyaguru          |
| Mother                     | Mrs. Ilaben Rajyaguru            |
| Brother(s)                 | -                                |
| Sister(s)                  | -                                |
|                            | -                                |
| Spouse                     | -                                |
| Spouse's Father            | -                                |
| Spouse's Mother            | -                                |
| Spouse's Brother(s)        | -                                |
| Spouse's Sister(s)         | -                                |

### **B. Companies / Corporate Entities forming part of the Promoter Group**

The Companies / Trusts / Partnership firms / HUFs or Sole Proprietorships forming part of our Promoter Group:

| Sr. No. | Name of Promoter Group Entity / Company |
|---------|-----------------------------------------|
| 1.      | Gandhinagar Leasing and Finance Limited |

## Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please refer the chapter titled “*Capital Structure*” beginning on Page No. 42 of this Prospectus.

## RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS:

Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| Name of Promoter                 | Name of Director        | Relationship |
|----------------------------------|-------------------------|--------------|
| Mr. Chintan Nayan Bhai Rajyaguru | Mr. Nayanbhai Rajyaguru | Son – Father |
|                                  | Mrs. Ilaben Rajyaguru   | Son - Mother |

## INTEREST OF PROMOTERS IN OUR COMPANY OTHER THAN AS PROMOTERS

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding in our Company and the dividend declared, if any, by our Company. For details, please refer chapters titled “*Our Management*” and “*Capital Structure*” beginning on Page No. 81 and 42 of this Prospectus, respectively.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*History and Certain Corporate matters*” and “*Financial Information*” beginning on Page No. 42, 66, 78 and 97 of this Prospectus, respectively, our Promoters do not have any interest in our Company other than as Promoters.

## Related Party Transactions

Except as stated in the “*Related Party Transactions*” from the chapter titled “*Financial Statements*” beginning on Page No. 97 of this Prospectus, our Company has not entered into related party transactions with our Promoters.

## Common Pursuits of Promoters and Promoter Group Company

None of Promoter Group Entity is involved in activities similar to those conducted by our Company.

## Payment of Amounts or Benefits to the Promoters or Promoter Group during the last two years

Except as stated in “*Statement of Related Party Transactions*” under the chapter titled “*Financial Statement*” beginning on Page No. 97 of this Prospectus, there has been no other payment of benefits to our Promoters during the two years preceding the date of this Prospectus.

## Material Guarantees

Except as stated in the chapter titled “*Financial Statements*” beginning on Page No. 97 of this Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

## Companies with which the Promoters have disassociated in the last three years

Our Promoters have not disassociated himself from any companies, firms or entities during the last three years preceding the date of this Prospectus.

## Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the chapters titled “*Outstanding Litigation and Material Developments*” beginning on Page No. 108 of this Prospectus.

## Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as member, director or Promoters nor have our Promoters been offered any inducements to become director or otherwise to become interested in any firm or Company, in connection with the promotion or formation of our Company otherwise than as stated in the “*Related Party Transactions*” in the chapter titled “*Financial Statements*” beginning on Page No. 97 of this Prospectus.

## **OUR GROUP COMPANY**

The definition of 'Group Companies' as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated January 13, 2022, our Group Companies includes:

Companies with the aggregate transactions are in excess of 5% of the Total Revenue of our Company as per the restated financial statements of our Company for the last full Fiscal, being ₹ 1,457.53 Lakhs

Accordingly, no company has been identified with which related party transactions carried out, during the period for which financial information is disclosed which are considered material to be identified as group companies.

## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both, in accordance with the provisions of Companies Act, 2013.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

| Particulars                                                                                                 | Page Nos.   |
|-------------------------------------------------------------------------------------------------------------|-------------|
| Restated Financial Statements for period ended September 30, 2021 and year ended March 31, 2021, 2020, 2019 | F-1 to F-25 |

## Independent Auditor's Report on Restated Financial Statements

To,  
**The Board of Directors**  
**Dhyaani Tile and Marblez Limited**  
420, Time Square Arcade,  
Opp. Rambaug, Thaltej,  
Ahmedabad - 380059

1. We have examined the attached restated financial information of **Dhyaani Tile and Marblez Limited** (hereinafter referred to as "**the Company**") comprising the restated statement of assets and liabilities as at September 30, 2021 and March 31, 2021, 2020 and 2019, restated statement of profit and loss and restated cash flow statement for the financial period/year ended on June 30, 2021, March 31, 2021, 2020 and 2019 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "**restated financial information**" or "**restated financial statements**") annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on SME Platform ("**IPO**" or "**SME IPO**") of Bombay Stock Exchange of India Limited ("**BSE**") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**");
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**Guidance Note**")
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the DRHP to be filed with Securities and Exchange Board of India ("**SEBI**"), BSE and Registrar of Companies (Delhi) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
  - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
  - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;

- (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period/year ended on September 30, 2021 and March 31, 2021, 2020 and 2019.
  6. Audit for the financial period/year ended on September 30, 2021 and March 31, 2021 was conducted by us. Audit for the financial year ended March 31, 2020 & March 31, 2019 was conducted by Amit J Joshi, Chartered Accountant. There are no audit qualifications in the audit reports issued by Amit J Joshi and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by him.
  7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
    - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial period/year ended on September 30, 2021 and March 31, 2021, 2020 and 2019.
    - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
    - c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
    - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
  8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
    - (i) The “**restated statement of asset and liabilities**” of the Company as at September 30, 2021 and March 31, 2021, 2020 and 2019 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
    - (ii) The “**restated statement of profit and loss**” of the Company for the financial period/year ended on at September 30, 2021 and March 31, 2021, 2020 and 2019 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
    - (iii) The “**restated statement of cash flows**” of the Company for the financial period/year ended on at September 30, 2021 and March 31, 2021, 2020 and 2019 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
    - (iv) ***The Company has granted loan to director during the year ended March 31, 2021 resulting into violation of the provisions of section 185 of Companies Act, 2013.***

***However, the said violation doesn't require adjustments in the Restated Financial Statements of the Company.***

9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended on at September 30, 2021 and March 31, 2021, 2020 and 2019 proposed to be included in the Draft Prospectus / Prospectus ("**Offer Document**").

**Annexure to Restated Financial Statements of the Company:-**

- i) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
  - ii) Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
  - iii) Summary statement of cash flows as restated as appearing in ANNEXURE III;
  - iv) Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and networth as appearing in ANNEXURE IV;
  - v) Details of share capital as restated as appearing in ANNEXURE V to this report;
  - vi) Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
  - vii) Details of short-term borrowings as restated as appearing in ANNEXURE VII to this report;
  - viii) Details of trade payables as restated as appearing in ANNEXURE VIII to this report;
  - ix) Details of other current liabilities as restated as appearing in ANNEXURE IX to this report;
  - x) Details of short-term provisions as restated as appearing in ANNEXURE X to this report;
  - xi) Details of deferred tax assets (net) as restated as appearing in ANNEXURE XI to this report;
  - xii) Details of long-term loans and advances as restated as appearing in ANNEXURE XII to this report;
  - xiii) Details of inventories as restated as appearing in ANNEXURE XIII to this report;
  - xiv) Details of trade receivables as restated as appearing in ANNEXURE XIV to this report;
  - xv) Details of cash and cash equivalents as restated as appearing in ANNEXURE XV to this report;
  - xvi) Details of short-term loans and advances as restated as appearing in ANNEXURE XVI to this report;
  - xvii) Details of revenue from operations as restated as appearing in ANNEXURE XVII to this report;
  - xviii) Details of other income as restated as appearing in ANNEXURE XVIII to this report;
  - xix) Details of purchase of stock-in-trade as restated as appearing in ANNEXURE XIX to this report;
  - xx) Details of changes in inventories of stock-in-trade as restated as appearing in ANNEXURE XX to this report;
  - xxi) Details of employee benefit expenses as restated as appearing in ANNEXURE XXI to this report;
  - xxii) Details of finance costs as restated as appearing in ANNEXURE XXII to this report;
  - xxiii) Details of other expenses as restated as appearing in ANNEXURE XXIII to this report;
  - xxiv) Details of bifurcative other income as restated as appearing in ANNEXURE XXIV to this report;
  - xxv) Details of contingent liabilities and commitments as restated as appearing in ANNEXURE XXV to this report;
  - xxvi) Details of related party transactions as restated as appearing in ANNEXURE XXVI to this report;
  - xxvii) Summary of significant accounting ratios as restated as appearing in ANNEXURE XXVII to this report;
  - xxviii) Statement of tax shelters as restated as appearing in ANNEXURE XXVIII to this report;
  - xxix) Capitalisation statement as at September 30, 2021 as restated as appearing in ANNEXURE XXIX to this report;
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, BSE and Registrar of Companies (Delhi) in connection with the proposed SME IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For J Singh & Associates**  
**Chartered Accountants**  
**FRN – 110266W**

**(CA Amitkumar Joshi)**  
**Partner**  
**Membership No. - 120022**  
**(UDIN – 22120022AAAAAI1284)**

**Place: Ahmedabad**  
**Date: January 23, 2022**

## STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE - I  
(₹ In Lakhs)

| Sr. No.      | Particulars                                 | Annexure No. | As at September 30, 2021 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 |
|--------------|---------------------------------------------|--------------|--------------------------|----------------------|----------------------|----------------------|
|              | <b>EQUITY AND LIABILITIES</b>               |              |                          |                      |                      |                      |
| 1)           | <b><u>Shareholders Funds</u></b>            |              |                          |                      |                      |                      |
|              | a. Share Capital                            | V            | 5.00                     | 5.00                 | 5.00                 | 5.00                 |
|              | b. Reserves & Surplus                       | VI           | 53.43                    | 29.13                | 2.17                 | 9.42                 |
| 3)           | <b><u>Current Liabilities</u></b>           |              |                          |                      |                      |                      |
|              | a. Short Term Borrowings                    | VII          | 17.62                    | -                    | 80.65                | 45.15                |
|              | b. Trade Payables                           | VIII         |                          |                      |                      |                      |
|              | -Due to Micro, Small and Medium Enterprises |              | -                        | -                    | -                    | -                    |
|              | -Due to others                              |              | 1,064.58                 | 580.05               | 1,339.43             | 953.48               |
|              | c. Other Current liabilities                | IX           | 651.38                   | 15.55                | 4.12                 | 0.89                 |
|              | d. Short Term Provisions                    | X            | 16.18                    | 7.04                 | -0.14                | 3.36                 |
| <b>TOTAL</b> |                                             |              | <b>1,808.19</b>          | <b>636.77</b>        | <b>1,431.23</b>      | <b>1,017.30</b>      |
|              | <b>ASSETS</b>                               |              |                          |                      |                      |                      |
| 1)           | <b><u>Non Current Assets</u></b>            |              |                          |                      |                      |                      |
|              | a. Deferred Tax Assets (net)                | XI           | 1.02                     | 0.15                 | 2.55                 | -                    |
|              | b. Long-term Loans & Advances               | XII          | 0.45                     | 0.65                 | 0.65                 | 0.65                 |
| 2)           | <b><u>Current Assets</u></b>                |              |                          |                      |                      |                      |
|              | a. Inventories                              | XIII         | 45.23                    | -                    | 18.61                | 18.58                |
|              | b. Trade Receivables                        | XIV          | 1,727.06                 | 606.21               | 1,394.99             | 980.33               |
|              | c. Cash and Cash Equivalents                | XV           | 0.21                     | 0.66                 | 1.26                 | 4.85                 |
|              | d. Short term loan and advances             | XVI          | 34.22                    | 29.10                | 13.17                | 12.89                |
| <b>TOTAL</b> |                                             |              | <b>1,808.19</b>          | <b>636.77</b>        | <b>1,431.23</b>      | <b>1,017.30</b>      |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXIX)

For J Singh & Associates  
Chartered Accountants  
FRN - 110266W

For and on behalf of the Board of Directors  
of Dhyani Tile and Marblez Limited

CA Amitkumar Joshi  
Partner  
Mem No- 120022  
UDIN - 22120022AAAAAI1284

Chintan Nayan Bhai Rajyaguru  
(Director)  
DIN - 08091654

Ilaben Nayanbhai Rajyaguru  
(Director)  
DIN - 08091655

Place : Ahmedabad  
Date : January 23, 2022

Foram Ajmeri  
(Company Secretary)

Alpaben Bhanubhai Thummar  
(Chief Financial Officer)

Place : Ahmedabad  
Date : January 23, 2022

## STANDALONE STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE - II  
(₹ In Lakhs)

| Sr. No.  | Particulars                                            | Annexure No. | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|----------|--------------------------------------------------------|--------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>A</b> | <b>INCOME</b>                                          |              |                                         |                                   |                                   |                                   |
|          | Revenue from Operations                                | XVII         | 1,041.27                                | 1,457.53                          | 712.77                            | 935.64                            |
|          | Other income                                           | XVIII        | 0.03                                    | 53.80                             | -                                 | -                                 |
|          | <b>Total Income (A)</b>                                |              | <b>1,041.30</b>                         | <b>1,511.33</b>                   | <b>712.77</b>                     | <b>935.64</b>                     |
| <b>B</b> | <b>EXPENDITURE</b>                                     |              |                                         |                                   |                                   |                                   |
|          | Purchase of stock-in-trade                             | XIX          | 1,034.96                                | 1,431.71                          | 718.35                            | 936.42                            |
|          | Changes in inventories of stock-in-trade               | XX           | (45.23)                                 | 18.61                             | (0.03)                            | (18.58)                           |
|          | Employee benefits expense                              | XXI          | 12.82                                   | 18.48                             | 2.26                              | 2.74                              |
|          | Finance costs                                          | XXII         | 0.29                                    | 0.29                              | 0.32                              | 0.27                              |
|          | Other expenses                                         | XXIII        | 7.09                                    | 5.71                              | 1.67                              | 1.60                              |
|          | <b>Total Expenses (B)</b>                              |              | <b>1,009.93</b>                         | <b>1,474.80</b>                   | <b>722.57</b>                     | <b>922.45</b>                     |
| <b>C</b> | <b>Profit before tax (A-B)</b>                         |              | <b>31.37</b>                            | <b>36.53</b>                      | <b>(9.80)</b>                     | <b>13.19</b>                      |
| <b>D</b> | <b>Tax Expense:</b>                                    |              |                                         |                                   |                                   |                                   |
|          | (i) Current tax                                        | XXVIII       | 7.94                                    | 7.17                              | -                                 | 3.36                              |
|          | (ii) Deferred tax                                      | XI           | (0.87)                                  | 2.40                              | (2.55)                            | 0.07                              |
|          | <b>Total Tax Expenses (D)</b>                          |              | <b>7.07</b>                             | <b>9.57</b>                       | <b>(2.55)</b>                     | <b>3.43</b>                       |
| <b>E</b> | <b>Profit for the year (C-D)</b>                       |              | <b>24.30</b>                            | <b>26.96</b>                      | <b>(7.25)</b>                     | <b>9.76</b>                       |
| <b>F</b> | <b>Earnings per share (Face value of ₹ 10/- each):</b> | XXVII        |                                         |                                   |                                   |                                   |
|          | i. Basic                                               |              | <b>48.60</b>                            | <b>53.92</b>                      | <b>(14.50)</b>                    | <b>19.52</b>                      |
|          | ii. Diluted                                            |              | <b>48.60</b>                            | <b>53.92</b>                      | <b>(14.50)</b>                    | <b>19.52</b>                      |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXIX)

For J Singh & Associates  
Chartered Accountants  
FRN - 110266WFor and on behalf of the Board of Directors of  
Dhyaani Tile and Marblez LimitedCA Amitkumar Joshi  
Partner  
Mem No- 120022  
UDIN - 22120022AAAAAI1284Chintan Nayan Bhai Rajyaguru  
(Director)  
DIN - 08091654Ilaben Nayanbhai Rajyaguru  
(Director)  
DIN - 08091655Place : Ahmedabad  
Date : January 23, 2022Foram Ajmeri  
(Company Secretary)Alpaben Bhanubhai Thummar  
(Chief Financial Officer)Place : Ahmedabad  
Date : January 23, 2022

## STANDALONE STATEMENT OF CASH FLOW AS RESTATED

## ANNEXURE - III

(₹ In Lakhs)

| Particulars                                                       | For the period<br>ended September<br>30, 2021 | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|-------------------------------------------------------------------|-----------------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Cash Flow From Operating Activities:</b>                       |                                               |                                      |                                      |                                      |
| Net Profit before tax as per Profit And Loss A/c                  | 31.37                                         | 36.53                                | (9.80)                               | 13.19                                |
| <b>Adjustments for:</b>                                           |                                               |                                      |                                      |                                      |
| Interest Income                                                   | (0.03)                                        | -                                    | -                                    | -                                    |
| Finance Cost                                                      | -                                             | -                                    | -                                    | 0.10                                 |
| Provision for Bad & Doubtful Debts                                | (0.25)                                        | (0.58)                               | -                                    | -                                    |
| <b>Operating Profit Before Working Capital Changes</b>            | <b>31.09</b>                                  | <b>35.95</b>                         | <b>(9.80)</b>                        | <b>13.29</b>                         |
| Adjusted for (Increase)/Decrease in operating assets              |                                               |                                      |                                      |                                      |
| Long-Term Loans and advances                                      | 0.20                                          | -                                    | -                                    | (0.20)                               |
| Inventories                                                       | (45.23)                                       | 18.61                                | (0.03)                               | (18.58)                              |
| Trade Receivables                                                 | (1,120.60)                                    | 789.36                               | (414.66)                             | (967.89)                             |
| Short Term Loans and advances                                     | (5.12)                                        | (15.93)                              | (0.28)                               | (12.80)                              |
| Other Current Assets                                              | -                                             | -                                    | -                                    | -                                    |
| Adjusted for Increase/(Decrease) in operating liabilities:        |                                               |                                      |                                      |                                      |
| Trade Payables                                                    | 484.53                                        | (759.38)                             | 385.95                               | 944.97                               |
| Other Current Liabilities                                         | 635.83                                        | 11.43                                | 3.23                                 | 0.74                                 |
| <b>Cash Generated From Operations Before Extra-Ordinary Items</b> | <b>(19.30)</b>                                | <b>80.04</b>                         | <b>(35.59)</b>                       | <b>(40.47)</b>                       |
| Net Income Tax paid/ refunded                                     | 1.20                                          | 0.01                                 | (3.50)                               | -                                    |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>     | <b>(18.10)</b>                                | <b>80.05</b>                         | <b>(39.09)</b>                       | <b>(40.47)</b>                       |
| Interest Income                                                   | 0.03                                          | -                                    | -                                    | -                                    |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>     | <b>0.03</b>                                   | <b>-</b>                             | <b>-</b>                             | <b>-</b>                             |
| <b>Cash Flow from Financing Activities:</b>                       |                                               |                                      |                                      |                                      |
| Finance Cost Paid                                                 | -                                             | -                                    | -                                    | (0.10)                               |
| Proceeds from borrowings                                          | 17.62                                         | (80.65)                              | 35.50                                | 45.15                                |
| <b>Net Cash Flow from/(used in) Financing Activities (C)</b>      | <b>17.62</b>                                  | <b>(80.65)</b>                       | <b>35.50</b>                         | <b>45.05</b>                         |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)        | (0.45)                                        | (0.60)                               | (3.59)                               | 4.58                                 |
| Cash & Cash Equivalents As At Beginning of the Year               | 0.66                                          | 1.26                                 | 4.85                                 | 0.27                                 |
| Cash & Cash Equivalents As At End of the Year                     | <b>0.21</b>                                   | <b>0.66</b>                          | <b>1.26</b>                          | <b>4.85</b>                          |

See accompanying annexures forming part of the restated standalone financial statements (Refer Annexure No. IV to XXIX)

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 J Singh & Associates**  
Chartered Accountants  
FRN - 110266W

**For and on behalf of the Board of Directors**  
of Dhyani Tile and Marblez Limited

CA Amitkumar Joshi  
Partner  
Mem No- 120022  
UDIN - 22120022AAAAI1284

Chintan Nayan Bhai Rajyaguru  
(Director)  
DIN - 08091654

Ilaben Nayanbhai Rajyaguru  
(Director)  
DIN - 08091655

Place : Ahmedabad  
Date : January 23, 2022

Foram Ajmeri  
(Company Secretary)

Alpaben Bhanubhai Thummar  
(Chief Financial Officer)

Place : Ahmedabad  
Date : January 23, 2022

**DETAILS OF SHARE CAPITAL AS RESTATED**
**ANNEXURE - V**

(₹ In Lakhs)

| Particulars                           | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|---------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| <b>EQUITY SHARE CAPITAL:</b>          |                                |                            |                            |                            |
| <b>AUTHORISED:</b>                    |                                |                            |                            |                            |
| Equity Shares of ₹ 10 each            | 5.00                           | 5.00                       | 5.00                       | 5.00                       |
|                                       | <b>5.00</b>                    | <b>5.00</b>                | <b>5.00</b>                | <b>5.00</b>                |
|                                       |                                |                            |                            |                            |
| <b>ISSUED, SUBSCRIBED AND PAID UP</b> |                                |                            |                            |                            |
| Equity Shares of ₹ 10 each            | 5.00                           | 5.00                       | 5.00                       | 5.00                       |
|                                       | <b>5.00</b>                    | <b>5.00</b>                | <b>5.00</b>                | <b>5.00</b>                |
|                                       |                                |                            |                            |                            |
| <b>TOTAL</b>                          | <b>5.00</b>                    | <b>5.00</b>                | <b>5.00</b>                | <b>5.00</b>                |

**Reconciliation of number of shares outstanding at the end of the year:**

| Particulars                                | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|--------------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| Equity Shares at the beginning of the year | 50,000                         | 50,000                     | 50,000                     | 50,000                     |
| Add: Shares issued during the year         | -                              | -                          | -                          | -                          |
| Equity Shares at the end of the year       | <b>50,000</b>                  | <b>50,000</b>              | <b>50,000</b>              | <b>50,000</b>              |

Note:

- 1) 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.
- 2) 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.
- 3) 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 30,2021 |              | As at March 31, 2021 |              | As at March 31,2020 |              | As at March 31,2019 |              |
|------------------------------|-------------------------|--------------|----------------------|--------------|---------------------|--------------|---------------------|--------------|
|                              | No. of Shares Held      | % of Holding | No. of Shares Held   | % of Holding | No. of Shares Held  | % of Holding | No. of Shares Held  | % of Holding |
| <b>Equity Share Holders</b>  |                         |              |                      |              |                     |              |                     |              |
| Dhanpal Patel                | -                       | -            | -                    | -            | -                   | -            | 25,000              | 50.00%       |
| Mansukhlal Patel             | -                       | -            | -                    | -            | -                   | -            | 25,000              | 50.00%       |
| Kiritkumar Mathurbhai Patel  | -                       | -            | -                    | -            | 25,000              | 50.00%       | -                   | -            |
| Satrugn Chhganbhai Patel     | -                       | -            | -                    | -            | 25,000              | 50.00%       | -                   | -            |
| Chintan Nayan Bhai Rajyaguru | 42,000                  | 84.00%       | 42,000               | 84.00%       | -                   | -            | -                   | -            |
| Ilaben Nayan Bhai Rajyaguru  | 8,000                   | 16.00%       | 8,000                | 16.00%       | -                   | -            | -                   | -            |

DETAILS OF RESERVES AND SURPLUS AS RESTATED

ANNEXURE - VI  
(₹ In Lakhs)

| Particulars                                                   | As at September 30, 2021 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 |
|---------------------------------------------------------------|--------------------------|----------------------|----------------------|----------------------|
| <b>Balance in Profit &amp; Loss A/c</b>                       |                          |                      |                      |                      |
| Opening Balance                                               | 29.13                    | 2.17                 | 9.42                 | (0.41)               |
| Add: Net Profit / (Loss) after Tax for the year               | 24.30                    | 26.96                | (7.25)               | 9.76                 |
| Add: Deferred Tax Assets on Loss pertaining to previous years | -                        | -                    | -                    | 0.07                 |
| <b>Closing Balance</b>                                        | <b>53.43</b>             | <b>29.13</b>         | <b>2.17</b>          | <b>9.42</b>          |
| <b>TOTAL</b>                                                  | <b>53.43</b>             | <b>29.13</b>         | <b>2.17</b>          | <b>9.42</b>          |

## **ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

### **A) CORPORATE INFORMATION:**

Dhyaani Tile & Marblez Limited is a company incorporated on 9<sup>th</sup> October, 2014 as “Dhyani Enterprise Private Limited”.

The corporate identification number of the company is U51900GJ2014PLC081004.

The company has changed its name from “Dhyani Enterprise Private Limited” to “Dhyaani Tile and Marblez Private Limited” on 18<sup>th</sup> October, 2021.

The company has been converted from Private Company to Public Company on 9<sup>th</sup> November, 2021.

The company is engaged into trading of tiles and marbles.

### **B) RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **I. Basis of preparation of Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at September 30, 2021 and March 31, 2021, 2020 and 2019 and the related restated summary statement of profits and loss and cash flows for the period/year ended September 30, 2021 and March 31, 2021, 2020 and 2019 (herein collectively referred to as (“**Restated Summary Statements**”) have been compiled by the management from the audited Financial Statements for the period/year ended on September 30, 2021 and March 31, 2021, March 31, 2020 & 2019. 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 BSE in connection with its proposed 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 Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

#### **II. 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 period/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.

**III. 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 period/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.

**IV. Provisions and Contingent Liabilities:**

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.

**V. Cash and Cash Equivalents:**

Cash and cash equivalents comprises Cash-in-Hand, Short-term Deposits and Balance in Current Accounts 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.

**VI. Inventories:**

Inventories comprises of Stock-in-Trade.

Closing Stock is valued at Cost or Net Realisable Value whichever is lower. Cost of Stock-in-trade comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

**VII. Revenue Recognition:**

Revenue from sale of goods net of returns is recognized on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of excise duty as and when applicable, Price escalation claims are recognized to the extent there is reasonable certainty of its realization.

**VIII. Other Income:**

Interest income is accounted on accrual basis. Income other than interest income is accounted for when right to receive such income is established.

**IX. Earning 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 period. 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.

## **X. Taxation & Deferred Tax**

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.

## **XI. 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”

## **C) NOTES ON RECONCILIATION OF RESTATED PROFITS**

Reconciliation of Restated Profits is stated as follows:

| (₹ In Lakhs)                                                               |                                         |                                   |                                   |                                   |
|----------------------------------------------------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Particulars                                                                | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Net Profit/(Loss) after Tax as per Audited/Unaudited Profit & Loss Account | 27.19                                   | 30.39                             | (9.53)                            | 9.86                              |
| <b>Adjustments for:</b>                                                    |                                         |                                   |                                   |                                   |
| Interest on Delayed Payment of Taxes                                       | -                                       | -                                 | (0.03)                            | -                                 |
| Interest on Delayed Filing of Return                                       | (0.28)                                  | (0.24)                            | (0.24)                            | (0.17)                            |
| Provision for Bad & Doubtful Debts                                         | 0.58                                    | (0.58)                            | -                                 | -                                 |
| Excess/(Short) Provision for Income Tax                                    | (4.06)                                  | (0.21)                            | -                                 | 0.14                              |
| Deferred tax                                                               | 0.87                                    | (2.40)                            | 2.55                              | (0.07)                            |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                            | <b>24.30</b>                            | <b>26.96</b>                      | <b>(7.25)</b>                     | <b>9.76</b>                       |

**Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:**

- I. **Interest on Delayed Payment of Taxes and Delayed filing of return:** The Company has not considered interest on delayed payment of income tax under section 234B/C and interest on delayed filing of returns for all the reporting periods. The said amount has now been recognized under finance cost as follows:
  - i. Interest under section 234C: Such interest presented under Finance Cost of the year to which it pertains.
  - ii. Interest under section 234A/B: Such interest presented under Finance Cost of the year in which it became payable.
- II. **Provision for Bad Debts:** The Company has not restated the provided for in the year to which it relates.
- III. **Excess/(Short) Provision for Income Tax:** Due to above restatement impacts, income tax expenses has been restated accordingly and presented.
- IV. **Deferred Tax:** The Company has not recognized deferred tax assets/liabilities. Hence, the same has now been calculated using correct income tax enacted rates and presented.

**D) NOTES ON RECONCILIATION OF RESTATED NETWORTH**

Reconciliation of Restated Network is stated as follows:

(₹ In Lakhs)

| Particulars                                                   | As at<br>September<br>30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|---------------------------------------------------------------|-----------------------------------|----------------------------|----------------------------|----------------------------|
| Network as audited                                            | 62.50                             | 35.31                      | 4.92                       | 14.45                      |
| <b>Adjustments for:</b>                                       |                                   |                            |                            |                            |
| Opening Balance of Adjustments                                | (1.18)                            | 2.25                       | (0.03)                     | -                          |
| Add: Deferred Tax Assets on Loss pertaining to previous years | -                                 | -                          | -                          | 0.07                       |
| Change in Profit/(Loss)                                       | (2.89)                            | (3.43)                     | 2.28                       | (0.10)                     |
| Closing Balance of Adjustments                                | (4.07)                            | (1.18)                     | 2.25                       | (0.03)                     |
| <b>Network as restated</b>                                    | <b>58.43</b>                      | <b>34.13</b>               | <b>7.17</b>                | <b>14.42</b>               |

**Explanatory notes to the above restatements to network made in the audited Standalone Financial Statements of the Company for the respective years:**

- I. **Deferred Tax Assets on Loss pertaining to previous years:** The company has now provided impact for deferred tax which has now been provided for deferred tax on brought forward income tax losses.
- II. **Change in Profit/(Loss):** Refer Note C above.

**E) 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 Standalone 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).

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED**
**ANNEXURE - VII**  
(₹ In Lakhs)

| Particulars                | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|----------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| <b>Unsecured</b>           |                                |                            |                            |                            |
| -Loan from Related Parties | 17.62                          | -                          | 80.40                      | 44.90                      |
| -Loan from Others          | -                              | -                          | 0.25                       | 0.25                       |
| <b>TOTAL</b>               | <b>17.62</b>                   | <b>-</b>                   | <b>80.65</b>               | <b>45.15</b>               |

**DETAILS OF TRADE PAYABLES AS RESTATED**
**ANNEXURE - VIII**  
(₹ In Lakhs)

| Particulars                                | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|--------------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| Due to Micro, Small and Medium Enterprises | -                              | -                          | -                          | -                          |
| Due to others                              | 1,064.58                       | 580.05                     | 1,339.43                   | 953.48                     |
| <b>TOTAL</b>                               | <b>1,064.58</b>                | <b>580.05</b>              | <b>1,339.43</b>            | <b>953.48</b>              |

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**
**ANNEXURE - IX**  
(₹ In Lakhs)

| Particulars                   | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|-------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| Statutory Dues payable        | -                              | -                          | -                          | 0.72                       |
| Interest payable              | 0.52                           | 0.24                       | -                          | 0.17                       |
| Director Remuneration Payable | -                              | 15.00                      | -                          | -                          |
| Advance From Customers        | 650.83                         | -                          | 4.12                       | -                          |
| Duties & taxes                | 0.03                           | 0.31                       | -                          | -                          |
| <b>TOTAL</b>                  | <b>651.38</b>                  | <b>15.55</b>               | <b>4.12</b>                | <b>0.89</b>                |

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**
**ANNEXURE - X**  
(₹ In Lakhs)

| Particulars            | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| Provision for Taxation | 16.18                          | 7.04                       | -0.14                      | 3.36                       |
| <b>TOTAL</b>           | <b>16.18</b>                   | <b>7.04</b>                | <b>-0.14</b>               | <b>3.36</b>                |

**DETAILS OF DEFERRED TAX ASSETS (NET) AS RESTATED**
**ANNEXURE - XI**  
(₹ In Lakhs)

| Particulars                                     | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|-------------------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| <b>Opening Balance</b>                          | 0.15                           | 2.55                       | -                          | 0.07                       |
| Add: Deferred Tax Credit/(Expense) for the year | 0.87                           | (2.40)                     | 2.55                       | (0.07)                     |
|                                                 |                                |                            |                            |                            |
| <b>TOTAL</b>                                    | <b>1.02</b>                    | <b>0.15</b>                | <b>2.55</b>                | <b>-</b>                   |

**DETAILS OF LONG-TERM LOANS & ADVANCES AS RESTATED**
**ANNEXURE - XII**  
(₹ In Lakhs)

| Particulars                         | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|-------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| Security Deposit                    | -                              | 0.20                       | 0.20                       | 0.20                       |
| Balance with Government Authorities | 0.45                           | 0.45                       | 0.45                       | 0.45                       |
|                                     |                                |                            |                            |                            |
|                                     | <b>0.45</b>                    | <b>0.65</b>                | <b>0.65</b>                | <b>0.65</b>                |

**DETAILS OF INVENTORIES AS RESTATED**
**ANNEXURE - XIII**  
(₹ In Lakhs)

| Particulars    | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|----------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| Stock-in-Trade | 45.23                          | -                          | 18.61                      | 18.58                      |
|                |                                |                            |                            |                            |
|                | <b>45.23</b>                   | <b>-</b>                   | <b>18.61</b>               | <b>18.58</b>               |

**DETAILS OF TRADE RECEIVABLES AS RESTATED**
**ANNEXURE - XIV**  
(₹ In Lakhs)

| Particulars                              | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|------------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
|                                          |                                |                            |                            |                            |
| <b>Unsecured, Considered Good</b>        |                                |                            |                            |                            |
| Trade Receivable More than Six Months    | 7.68                           | 353.86                     | 1,355.72                   | -                          |
| Trade Receivable Less than Six Months    | 1,719.38                       | 252.35                     | 39.27                      | 980.33                     |
|                                          |                                |                            |                            |                            |
| <b>Unsecured, Considered Doubtful</b>    |                                |                            |                            |                            |
| Trade Receivable More than Six Months    | -                              | -                          | -                          | -                          |
| Less: Provision for Bad & Doubtful Debts | -                              | -                          | -                          | -                          |
| Trade Receivable Less than Six Months    | -                              | 0.58                       | -                          | -                          |
| Less: Provision for Bad & Doubtful Debts | -                              | (0.58 )                    | -                          | -                          |
|                                          |                                |                            |                            |                            |
| <b>TOTAL</b>                             | <b>1,727.06</b>                | <b>606.21</b>              | <b>1,394.99</b>            | <b>980.33</b>              |

**DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**
**ANNEXURE - XV**  
 (₹ In Lakhs)

| Particulars                 | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|-----------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
|                             |                                |                            |                            |                            |
| Cash-in-Hand                | -                              | 0.47                       | 1.19                       | 0.05                       |
| Balance in Current Accounts | 0.21                           | 0.19                       | 0.07                       | 4.80                       |
|                             |                                |                            |                            |                            |
| <b>TOTAL</b>                | <b>0.21</b>                    | <b>0.66</b>                | <b>1.26</b>                | <b>4.85</b>                |

**DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED**
**ANNEXURE - XVI**  
 (₹ In Lakhs)

| Particulars                         | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|-------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
|                                     |                                |                            |                            |                            |
| Balance with Government Authorities | 5.26                           | 0.09                       | 0.43                       | 0.45                       |
| Advance to suppliers & others       | 28.96                          | 0.05                       | 12.74                      | 12.44                      |
| Loan to Related Parties             | -                              | 28.96                      | -                          | -                          |
|                                     |                                |                            |                            |                            |
| <b>TOTAL</b>                        | <b>34.22</b>                   | <b>29.10</b>               | <b>13.17</b>               | <b>12.89</b>               |

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**
**ANNEXURE - XVII**  
(₹ In Lakhs)

| Particulars            | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Sale of Goods          |                                         |                                   |                                   |                                   |
| -Domestic Sales        | 1,041.27                                | 1,456.40                          | 712.77                            | 935.64                            |
| -Export Sales          | -                                       | -                                 | -                                 | -                                 |
| Other Operating Income | -                                       | 1.13                              | -                                 | -                                 |
| <b>TOTAL</b>           | <b>1,041.27</b>                         | <b>1,457.53</b>                   | <b>712.77</b>                     | <b>935.64</b>                     |

**DETAILS OF OTHER INCOME AS RESTATED**
**ANNEXURE - XVIII**  
(₹ In Lakhs)

| Particulars                     | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Net profit on commodity trading | -                                       | 4.00                              | -                                 | -                                 |
| Commission Received             | -                                       | 49.80                             | -                                 | -                                 |
| Bank Interest                   | 0.03                                    | -                                 | -                                 | -                                 |
| <b>TOTAL</b>                    | <b>0.03</b>                             | <b>53.80</b>                      | <b>-</b>                          | <b>-</b>                          |

**DETAILS OF PURCHASE OF STOCK-IN-TRADE AS RESTATED**
**ANNEXURE - XIX**  
(₹ In Lakhs)

| Particulars                 | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-----------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Purchases of Stock-in-Trade | 1,034.96                                | 1,431.71                          | 718.35                            | 936.42                            |
| <b>TOTAL</b>                | <b>1,034.96</b>                         | <b>1,431.71</b>                   | <b>718.35</b>                     | <b>936.42</b>                     |

**DETAILS OF CHANGES IN INVENTORIES OF STOCK-IN-TRADE AS RESTATED**
**ANNEXURE - XX**  
(₹ In Lakhs)

| Particulars         | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Opening Stock       | -                                       | 18.61                             | 18.58                             | -                                 |
| Less: Closing Stock | 45.23                                   | -                                 | 18.61                             | 18.58                             |
| <b>TOTAL</b>        | <b>(45.23)</b>                          | <b>18.61</b>                      | <b>-0.03</b>                      | <b>-18.58</b>                     |

**DETAILS OF EMPLOYEE BENEFITS EXPENSE AS RESTATED**
**ANNEXURE - XXI**  
(₹ In Lakhs)

| Particulars               | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Salaries and Allowances   | 3.82                                    | 3.48                              | 2.26                              | 0.94                              |
| Remuneration to Directors | 9.00                                    | 15.00                             | -                                 | 1.80                              |
| <b>TOTAL</b>              | <b>12.82</b>                            | <b>18.48</b>                      | <b>2.26</b>                       | <b>2.74</b>                       |

**DETAILS OF FINANCE COST AS RESTATED**
**ANNEXURE - XXII**  
(₹ In Lakhs)

| Particulars                          | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Bank Charges                         | 0.01                                    | 0.05                              | 0.05                              | -                                 |
| Interest on borrowings               | -                                       | -                                 | -                                 | 0.10                              |
| Interest on delayed filing of return | -                                       | -                                 | 0.03                              | -                                 |
| Interest on late payment of taxes    | 0.28                                    | 0.24                              | 0.24                              | 0.17                              |
| <b>TOTAL</b>                         | <b>0.29</b>                             | <b>0.29</b>                       | <b>0.32</b>                       | <b>0.27</b>                       |

**DETAILS OF OTHER EXPENSES AS RESTATED**
**ANNEXURE - XXIII**  
(₹ In Lakhs)

| Particulars                        | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|------------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Auditor's Remuneration             | 0.75                                    | 1.25                              | 0.30                              | 1.00                              |
| Advertisement Expenses             | 0.03                                    | -                                 | -                                 | -                                 |
| Conveyance Expenses                | 0.10                                    | 0.56                              | -                                 | -                                 |
| Stationery and Courier Expenses    | 0.10                                    | -                                 | -                                 | -                                 |
| Electricity Expenses               | 0.21                                    | -                                 | -                                 | -                                 |
| Legal & Professional Charges       | 0.30                                    | 2.00                              | 0.05                              | 0.05                              |
| Repairs & Maintenance Expenses     | 0.04                                    | -                                 | -                                 | -                                 |
| Miscellaneous Expenses             | 0.03                                    | -                                 | -                                 | -                                 |
| Office Expenses                    | 0.51                                    | -                                 | -                                 | -                                 |
| Provision for Bad & Doubtful Debts | 0.25                                    | 0.58                              | -                                 | -                                 |
| Rent                               | 2.43                                    | 1.32                              | 1.32                              | 0.37                              |
| Telephone Exp                      | 0.01                                    | -                                 | -                                 | -                                 |
| Travelling Exp                     | 1.21                                    | -                                 | -                                 | -                                 |
| Rates & Taxes                      | 1.12                                    | -                                 | -                                 | 0.18                              |
| <b>TOTAL</b>                       | <b>7.09</b>                             | <b>5.71</b>                       | <b>1.67</b>                       | <b>1.60</b>                       |

**DETAILS OF OTHER INCOME AS RESTATED**
**ANNEXURE - XXIV**  
 (₹ In Lakhs)

| Particulars                       | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 | Nature |
|-----------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------|
| Other Income                      | 0.03                                    | 53.80                             | -                                 | -                                 |        |
| Net Profit Before Tax as Restated | 31.37                                   | 36.53                             | (9.80)                            | 13.19                             |        |
| <b>Percentage</b>                 | <b>0.10%</b>                            | <b>147.28%</b>                    | -                                 | -                                 |        |

**Source of Income**

|                                 |             |              |   |   |                                                    |
|---------------------------------|-------------|--------------|---|---|----------------------------------------------------|
| Net profit on commodity trading | -           | 4.00         | - | - | Non-Recurring and not related to Business Activity |
| Commission Received             | -           | 49.80        | - | - | Non-Recurring and not related to Business Activity |
| Bank Interest                   | 0.03        | -            | - | - | Non-Recurring and related to Business Activity     |
| <b>Total Other income</b>       | <b>0.03</b> | <b>53.80</b> | - | - |                                                    |

**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED**
**ANNEXURE -**
**XXV**

(₹ In Lakhs)

| Particulars                                                                                        | As at<br>September 30,<br>2021 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|----------------------------------------------------------------------------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| I. Contingent Liabilities                                                                          |                                |                            |                            |                            |
| (a) claims against the company not acknowledged as debt;                                           | -                              | -                          | -                          | -                          |
| (b) guarantees excluding financial guarantees; and                                                 | -                              | -                          | -                          | -                          |
| (c) other money for which the company is contingently liable.                                      | -                              | -                          | -                          | -                          |
|                                                                                                    |                                |                            |                            |                            |
| II. Commitments-                                                                                   |                                |                            |                            |                            |
| (a) estimated amount of contracts remaining to be executed on capital account and not provided for | -                              | -                          | -                          | -                          |
| (b) uncalled liability on shares and other investments partly paid                                 | -                              | -                          | -                          | -                          |
| (c) other commitments                                                                              | -                              | -                          | -                          | -                          |

*Note: 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.*

**DETAILS OF RELATED PARTY TRANSACTION AS RESTATED**
**ANNEXURE -**
**XXVI**

(₹ In Lakhs)

| Name of Related Party        | Nature of Relationship | Nature of Transaction  | Amount of transaction during the period ended September 30, 2021 | Amount outstanding as on September 30, 2021 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2021 | Amount outstanding as on March 31, 2021 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2020 | Amount outstanding as on March 31, 2020 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2019 | Amount outstanding as on March 31, 2019 (Payable)/ Receivable |
|------------------------------|------------------------|------------------------|------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------|
| Shatrugna Patel              | Director*              | Director Remuneration  | -                                                                | -                                                                 | -                                                          | 28.97                                                         | -                                                          | (80.39)                                                       | 1.80                                                       | (44.90)                                                       |
|                              |                        | Loan Taken             | -                                                                |                                                                   | -                                                          |                                                               | 45.77                                                      |                                                               | 43.00                                                      |                                                               |
|                              |                        | Loan Repaid            | -                                                                |                                                                   | 80.40                                                      |                                                               | 10.28                                                      |                                                               | -                                                          |                                                               |
|                              |                        | Loan Given             | -                                                                |                                                                   | 28.96                                                      |                                                               | -                                                          |                                                               | -                                                          |                                                               |
|                              |                        | Interest on Borrowings | -                                                                |                                                                   | -                                                          |                                                               | -                                                          |                                                               | 0.10                                                       |                                                               |
| Chintan Nayan Bhai Rajyaguru | Director**             | Director Remuneration  | 9.00                                                             | (17.62)                                                           | 15.00                                                      | (15.00)                                                       | -                                                          | -                                                             | -                                                          | -                                                             |
|                              |                        | Loan Taken             | 7.20                                                             |                                                                   | -                                                          |                                                               | -                                                          |                                                               | -                                                          |                                                               |
|                              |                        | Loan Repaid            | 13.58                                                            |                                                                   | -                                                          |                                                               | -                                                          |                                                               | -                                                          |                                                               |
| Foram Ajmeri                 | Company Secretary***   | Salary                 | 1.00                                                             | (1.00)                                                            | -                                                          | -                                                             | -                                                          | -                                                             | -                                                          | -                                                             |

\* Director upto April 1, 2021

\*\* Director w.e.f. May 24, 2021

\*\*\* Company Secretary w.e.f. June 1, 2021

**DETAILS OF ACCOUNTING RATIOS AS RESTATED**
**ANNEXURE - XXVII**

(₹ In Lakhs, except per share data and ratios)

| Particulars                                                                                | For the period ended September 30, 2021 | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Restated Profit after Tax as per Profit & Loss Statement (A)                               | 24.30                                   | 26.96                             | (7.25)                            | 9.76                              |
|                                                                                            |                                         |                                   |                                   |                                   |
| Tax Expense (B)                                                                            | 7.07                                    | 9.57                              | (2.55)                            | 3.43                              |
| Depreciation and amortization expense (C)                                                  | -                                       | -                                 | -                                 | -                                 |
| Interest Cost (D)                                                                          | 0.28                                    | 0.24                              | 0.27                              | 0.27                              |
|                                                                                            |                                         |                                   |                                   |                                   |
| Weighted Average Number of Equity Shares at the end of the Year (E)                        | 50,000                                  | 50,000                            | 50,000                            | 50,000                            |
| Number of Equity Shares outstanding at the end of the Year (F)                             | 50,000                                  | 50,000                            | 50,000                            | 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)  | 58.43                                   | 34.13                             | 7.17                              | 14.42                             |
| Current Assets (I)                                                                         | 1,806.72                                | 635.97                            | 1,428.03                          | 1,016.65                          |
| Current Liabilities (J)                                                                    | 1,749.76                                | 602.64                            | 1,424.06                          | 1,002.88                          |
|                                                                                            |                                         |                                   |                                   |                                   |
| <b>Earnings Per Share - Basic &amp; Diluted<sup>1</sup> (₹)</b>                            | <b>48.60</b>                            | <b>53.92</b>                      | <b>(14.50)</b>                    | <b>19.52</b>                      |
| <b>Return on Net Worth<sup>1 &amp; 2</sup> (%)</b>                                         | <b>83.18%</b>                           | <b>78.99%</b>                     | <b>(101.12%)</b>                  | <b>67.68%</b>                     |
| <b>Net Asset Value Per Share<sup>1</sup> (₹)</b>                                           | <b>116.86</b>                           | <b>68.26</b>                      | <b>14.34</b>                      | <b>28.84</b>                      |
| <b>Current Ratio<sup>1</sup></b>                                                           | <b>1.03</b>                             | <b>1.06</b>                       | <b>1.00</b>                       | <b>1.01</b>                       |
| <b>Earning before Interest, Tax and Depreciation and Amortization<sup>1</sup> (EBITDA)</b> | <b>31.65</b>                            | <b>36.77</b>                      | <b>(9.53)</b>                     | <b>13.46</b>                      |

**Notes -**

1. Ratios have been calculated as below:

|                                                                          |               |
|--------------------------------------------------------------------------|---------------|
| Earnings Per Share (₹) (EPS) :                                           | $\frac{A}{E}$ |
| Return on Net Worth (%):                                                 | $\frac{A}{H}$ |
| Net Asset Value per equity share (₹):                                    | $\frac{H}{F}$ |
| Current Ratio:                                                           | $\frac{I}{J}$ |
| Earning before Interest, Tax and Depreciation and Amortization (EBITDA): | $A + (B+C+D)$ |

2. Return on Network has been annualised.

3. The above details should be read with the significant accounting policies and notes to restated summary, statement of assets &amp; liabilities, profits and losses and cash flows appearing in Annexure I - III.

## STATEMENT OF TAX SHELTERS

ANNEXURE - XXVIII  
(₹ In Lakhs)

| Particulars                                              | For the period<br>ended September<br>30, 2021 | For the year<br>ended March<br>31, 2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
|----------------------------------------------------------|-----------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| Profit before tax as per books (A)                       | 31.37                                         | 36.53                                   | (9.80)                                  | 13.19                                   |
| Income Tax Rate (%)                                      | 26.000%                                       | 26.000%                                 | 26.000%                                 | 26.000%                                 |
| MAT Rate (%)                                             | 15.600%                                       | 15.600%                                 | 15.600%                                 | 19.240%                                 |
| Tax at notional rate on profits                          | 8.16                                          | 9.50                                    | -                                       | 3.43                                    |
| <b>Adjustments :</b>                                     |                                               |                                         |                                         |                                         |
| <b>Permanent Differences(B)</b>                          |                                               |                                         |                                         |                                         |
| <u>Expenses disallowed under Income Tax Act, 1961</u>    |                                               |                                         |                                         |                                         |
| Late Fees                                                | -                                             | -                                       | -                                       | -                                       |
| <b>Total Permanent Differences(B)</b>                    | -                                             | -                                       | -                                       | -                                       |
| <b>Income considered separately (C)</b>                  |                                               |                                         |                                         |                                         |
| Interest Income                                          | (0.03 )                                       | -                                       | -                                       | -                                       |
| <b>Total Income considered separately (C)</b>            | <b>(0.03)</b>                                 | -                                       | -                                       | -                                       |
| <b>Timing Differences (D)</b>                            |                                               |                                         |                                         |                                         |
| Provision for Bad & Doubtful Debts                       | -                                             | 0.58                                    | -                                       | -                                       |
| Bad Debts                                                | (0.83 )                                       | -                                       | -                                       | -                                       |
| <b>Total Timing Differences (D)</b>                      | <b>(0.83)</b>                                 | <b>0.58</b>                             | -                                       | -                                       |
| <b>Net Adjustments E = (B+C+D)</b>                       | <b>(0.86)</b>                                 | <b>0.58</b>                             | <b>0.00</b>                             | <b>0.00</b>                             |
| <b>Tax expense / (saving) thereon</b>                    | <b>(0.22)</b>                                 | <b>0.15</b>                             | <b>0.00</b>                             | <b>0.00</b>                             |
| <b>Income from Other Sources</b>                         |                                               |                                         |                                         |                                         |
| Interest Income                                          | 0.03                                          | -                                       | -                                       | -                                       |
| <b>Income from Other Sources (F)</b>                     | <b>0.03</b>                                   | -                                       | -                                       | -                                       |
| <b>Set-off from Brought Forward Losses (G)</b>           | -                                             | (9.53 )                                 | -                                       | (0.25 )                                 |
| <b>Taxable Income/(Loss) as per Income Tax (A+E+F+G)</b> | <b>30.54</b>                                  | <b>27.58</b>                            | <b>(9.80)</b>                           | <b>12.94</b>                            |
| <b>Taxable Income/(Loss) as per MAT</b>                  | 31.37                                         | 36.53                                   | (9.80)                                  | 13.19                                   |
| <b>Income Tax as returned/computed</b>                   | 7.94                                          | 7.17                                    | -                                       | 3.36                                    |
| Tax paid as per normal or MAT                            | Normal                                        | Normal                                  | Normal                                  | Normal                                  |

**Capitalisation Statement as at September 30, 2021**

**ANNEXURE - XXIX**  
(₹ In Lakhs)

| <b>Particulars</b>                         | <b>Pre Issue</b> | <b>Post Issue</b> |
|--------------------------------------------|------------------|-------------------|
| <b>Borrowings</b>                          |                  |                   |
| Short term debt (A)                        | 17.62            | -                 |
| Long Term Debt (B)                         | -                | -                 |
| <b>Total debts (C)</b>                     | <b>17.62</b>     | <b>-</b>          |
| <b>Shareholders' funds</b>                 |                  |                   |
| Share capital                              | 5.00             | -                 |
| Reserve and surplus - as Restated          | 53.43            | -                 |
| <b>Total shareholders' funds</b>           | <b>58.43</b>     | <b>-</b>          |
| <b>Long term debt / shareholders funds</b> | <b>-</b>         | <b>-</b>          |
| <b>Total debt / shareholders funds</b>     | <b>0.30</b>      | <b>-</b>          |

## OTHER FINANCIAL INFORMATION

### STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in lakhs)

| Particulars                                                                                | For the period ended September 30, 2021 | For the year ended March 31 |                  |               |
|--------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------|------------------|---------------|
|                                                                                            |                                         | 2021                        | 2020             | 2019          |
| Restated Profit after Tax as per Profit & Loss Statement (A)                               | 24.30                                   | 26.96                       | (7.25)           | 9.76          |
| Tax Expense (B)                                                                            | 7.07                                    | 9.57                        | (2.55)           | 3.43          |
| Depreciation and amortization expense (C)                                                  | -                                       | -                           | -                | -             |
| Interest Cost (D)                                                                          | 0.28                                    | 0.24                        | 0.27             | 0.27          |
| Weighted Average Number of Equity Shares at the end of the Year (E)                        | 50,000                                  | 50,000                      | 50,000           | 50,000        |
| Number of Equity Shares outstanding at the end of the Year (F)                             | 50,000                                  | 50,000                      | 50,000           | 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)  | 58.43                                   | 34.13                       | 7.17             | 14.42         |
| Current Assets (I)                                                                         | 1,806.72                                | 635.97                      | 1,428.03         | 1,016.65      |
| Current Liabilities (J)                                                                    | 1,749.76                                | 602.64                      | 1,424.06         | 1,002.88      |
| <b>Earnings Per Share - Basic &amp; Diluted<sup>1</sup> (₹)</b>                            | <b>48.60</b>                            | <b>53.92</b>                | <b>(14.50)</b>   | <b>19.52</b>  |
| <b>Return on Net Worth<sup>1 &amp; 2</sup> (%)</b>                                         | <b>83.18%</b>                           | <b>78.99%</b>               | <b>(101.12%)</b> | <b>67.68%</b> |
| <b>Net Asset Value Per Share<sup>1</sup> (₹)</b>                                           | <b>116.86</b>                           | <b>68.26</b>                | <b>14.34</b>     | <b>28.84</b>  |
| <b>Current Ratio<sup>1</sup></b>                                                           | <b>1.03</b>                             | <b>1.06</b>                 | <b>1.00</b>      | <b>1.01</b>   |
| <b>Earning before Interest, Tax and Depreciation and Amortization<sup>1</sup> (EBITDA)</b> | <b>31.65</b>                            | <b>36.77</b>                | <b>(9.53)</b>    | <b>13.46</b>  |

1) Formulas used for calculating above ratios are as under:

- Basic EPS is being calculated by using the formula: (Net Profit after Tax / Equivalent Weighted Average No. of outstanding equity Shares)
  - Net worth = Equity Share Capital + Reserves & Surplus
  - Net Asset Value is being calculated by using the formula: (Restated Net Worth / Actual Number of Equity Shares at end of the year / period)
  - Return on Net worth (%) is being calculated by using the formula: (Restated Profit After Tax / Restated Net worth) \*100
  - Earnings before Interest, Tax & Depreciation and Amortization is being calculated by adding interest, tax expense, depreciation and amortization expense to Restated Profit after tax as per Profit & Loss Statement.
- Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
  - The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.
  - As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
  - The above Ratios have been computed on the basis of the Restated Financial Information for the respective period, the above statements should be read with the Notes to Restated Financial Statements.

## CAPITALIZATION STATEMENT

### STATEMENT OF CAPITALIZATION, AS RESTATED

(₹ in lakhs)

| Particular                                  | Pre-Issue<br>(As at March 31, 2021) | Post Issue    |
|---------------------------------------------|-------------------------------------|---------------|
| <b>Borrowings</b>                           |                                     |               |
| Short term debt (A)                         | 17.62                               | 17.62         |
| Long Term Debt (B)                          | -                                   | -             |
| <b>Total debts (C=A+B)</b>                  | <b>17.62</b>                        | <b>17.62</b>  |
| <b>Shareholders' funds</b>                  |                                     |               |
| Equity share capital (D)                    | 5.00                                | 152.00        |
| Reserve and surplus - as restated (E)       | 53.43                               | 196.80        |
| <b>Total shareholders' funds (F=D+E)</b>    | <b>58.48</b>                        | <b>402.23</b> |
| <b>Long term debt / shareholders' funds</b> |                                     |               |
|                                             | -                                   | -             |
| <b>Total debt / shareholders' funds</b>     | <b>0.30</b>                         | <b>0.04</b>   |

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

*You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### **BUSINESS OVERVIEW**

Our Company was incorporated as “Dhyani Enterprise Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 9, 2014 bearing Registration No. 081004 issued by the Registrar of Companies, Ahmedabad, Gujarat. Further, name of our company was changed to “Dhyaani Tile and Marblez Private Limited” vide special resolution dated October 14, 2021. A fresh certificate of incorporation consequent to change of name was issued to our Company by the Registrar of Companies, Ahmedabad on October 18, 2021. Further our Company was converted into a Public Limited Company and the name of our Company was changed to “Dhyaani Tile and Marblez Limited” vide special resolution dated October 22, 2021. A fresh certificate of incorporation consequent to conversion into public limited Company was issued to our Company by the Registrar of Companies, Ahmedabad on November 9, 2021. The corporate identification number of our Company is U51900GJ2014PLC081004. For further details, including change in our Registered Office, please refer the chapter “History and Certain Corporate Matters” beginning on Page No. 78 of this Prospectus.

Our Company is promoted by Mr. Chintan Nayan Bhai Rajyaguru. He associated with the Company in 2020 and at present look after the overall management, day to day affairs and is the guiding force behind the strategic decisions of our Company. His industry knowledge and understanding of the current market situation enables us to improve our geographic horizon and market presence. We believe that we shall be able to create a market position by adhering to the vision of our Promoter and senior management and their experience.

Our Company is engaged in the business of trading of vitrified tiles used primarily for flooring solutions. We commenced this business in year 2019, upon takeover of the business from the earlier promoters. Earlier to this the company was engaged in the business of trading of agro commodities.

### **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in the Prospectus and the Risk Factors given in the Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

#### ***Regulatory Framework***

At present, the segments in which we operate are not subject to extensive Government regulation. While we are not in a position to predict the likelihood, timing or content of any such regulation or legislation, if any such regulation or legislation is notified, we may be affected in various ways. However, we require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained other permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

#### ***Ability of Management***

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain “key man” life insurance for our Promoters, senior members of our management team or

other key personnel.

## ***Ability to manage logistics and transportation needs***

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation from our distribution centres to various stores. We have entered into agreements with third party transport service providers and depend on them for supply of goods. Although we have insurance for transit of goods, and typically the transportation agreements have provision for damages, since the cost of our goods carried by third party transporters is typically much higher than the consideration paid for transportation, it may be difficult for us to recover damages for damaged, delayed or lost goods. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage, shrinkage and our inability to claim insurance may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

## ***Competition***

Competition in the ceramic tiles sector as a whole, is generally fragmented. We face significant competition from local or regional players and geographical markets in which we operate, and our success depends on our ability to ensure the continued quality, relevance and innovation of our products. We face competition from big players as they have better financial and other resources than we have, or may be able to develop more effective advertisement and marketing campaigns or better priced or more variety of products than us, which may enable them to compete against us more effectively for future business. These competitive factors may force us to reduce rates and/or increase spend in order to continue to attract new customers, and to pursue new market opportunities. Increased competition could result in reduced demand for our products, increased expenses, reduced margins and loss of market share. Failure to compete successfully against current or future competitors in each of our business segments could harm our business, operating cash flows and financial condition.

## ***COVID-19 Pandemic***

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses, including the industry in which our Company operates and from where it derives substantial revenues and profits. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. In view of the onslaught of the second wave of the virus and the likelihood of a third wave, this pandemic may continue to cause unprecedented economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in the chapter “*Risk Factors*” beginning on Page No. 18. We are continue to closely monitor the economic conditions and the effect of COVID-19 and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business.

## ***Significant Developments after September 30, 2021 that may affect our Future Results of Operations***

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months except as mentioned below:

1. Our Company has allotted 80,000 Equity shares having Face Value of ₹ 10/- each by way of Private Placement at the rate of ₹ 95/- per Equity Share in its Board Meeting dated October 06, 2021;
2. Our Company has allotted 9,10,000 Equity shares having Face Value of ₹ 10/- each by way of Bonus allotment in its Board Meeting dated January 13, 2022; and
3. Our Company has increased its borrowing powers to ₹ 240.00 crores in the Extra-Ordinary General Meeting dated January 17, 2022.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at September 30, 2021 and March 31, 2021, 2020 and 2019 and the related restated summary statement of profits and loss and cash flows for the period/year ended September 30, 2021 and March 31, 2021, 2020 and 2019 (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements for the period/year ended on September 30, 2021 and March 31, 2021, March 31, 2020 & 2019. 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 BSE in connection with its proposed 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 Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

### b) 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 period/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.

### c) 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 period/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.

### d) Provisions and Contingent Liabilities:

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.

### e) Cash and Cash Equivalents:

Cash and cash equivalents comprises Cash-in-Hand, Short-term Deposits and Balance in Current Accounts 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.

### f) Inventories:

Inventories comprises of Stock-in-Trade.

Closing Stock is valued at Cost or Net Realisable Value whichever is lower. Cost of Stock-in-trade comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

**g) Revenue Recognition:**

Revenue from sale of goods net of returns is recognized on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of excise duty as and when applicable, Price escalation claims are recognized to the extent there is reasonable certainty of its realization.

**h) Other Income:**

Interest income is accounted on accrual basis. Income other than interest income is accounted for when right to receive such income is established.

**i) Earning 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 period. 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.

**j) Taxation & Deferred Tax:**

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.

**k) 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”.

## RESULTS OF OUR OPERATIONS

(Amount ₹ in lacs)

| Particulars                                           | As at<br>September<br>30, 2021 | % of Total<br>Income | For the year ended March 31 |                      |               |                      |               |                      |
|-------------------------------------------------------|--------------------------------|----------------------|-----------------------------|----------------------|---------------|----------------------|---------------|----------------------|
|                                                       |                                |                      | 2021                        | % of Total<br>Income | 2020          | % of Total<br>Income | 2019          | % of Total<br>Income |
| <b>INCOME</b>                                         |                                |                      |                             |                      |               |                      |               |                      |
| Revenue from Operations                               | 1,041.27                       | 100.00%              | 1,457.53                    | 96.44%               | 712.77        | 100.00%              | 935.64        | 100.00%              |
| Other Income                                          | 0.03                           | 0.00%                | 53.80                       | 3.56%                | -             | 0.00%                | -             | 0.00%                |
| <b>Total Income (A)</b>                               | <b>1,041.30</b>                | <b>100.00%</b>       | <b>1,511.33</b>             | <b>100.00%</b>       | <b>712.77</b> | <b>100.00%</b>       | <b>935.64</b> | <b>100.00%</b>       |
| <b>EXPENDITURE</b>                                    |                                |                      |                             |                      |               |                      |               |                      |
| Purchase of stock-in-trade                            | 1,034.96                       | 99.39%               | 1,431.71                    | 94.73%               | 718.35        | 100.78%              | 936.42        | 100.08%              |
| Changes in inventories of stock-in-trade              | (45.23)                        | -4.34%               | 18.61                       | 1.23%                | (0.03)        | 0.00%                | (18.58)       | -1.99%               |
| Employee benefits expense                             | 12.82                          | 1.23%                | 18.48                       | 1.22%                | 2.26          | 0.32%                | 2.74          | 0.29%                |
| Finance costs                                         | 0.29                           | 0.03%                | 0.29                        | 0.02%                | 0.32          | 0.04%                | 0.27          | 0.03%                |
| Other expenses                                        | 7.09                           | 0.68%                | 5.71                        | 0.38%                | 1.67          | 0.23%                | 1.60          | 0.17%                |
| <b>Total Expenses (B)</b>                             | <b>1,009.93</b>                | <b>96.99%</b>        | <b>1,474.80</b>             | <b>97.58%</b>        | <b>722.57</b> | <b>101.37%</b>       | <b>922.45</b> | <b>98.59%</b>        |
| <b>Profit before extraordinary items and tax(A-B)</b> | <b>31.37</b>                   | <b>3.01%</b>         | <b>36.53</b>                | <b>2.42%</b>         | <b>(9.80)</b> | <b>-1.37%</b>        | <b>13.19</b>  | <b>1.41%</b>         |
| Extraordinary items                                   | -                              | -                    | -                           | -                    | -             | -                    | -             | -                    |
| <b>Profit before tax</b>                              | <b>31.37</b>                   | <b>3.01%</b>         | <b>36.53</b>                | <b>2.42%</b>         | <b>(9.80)</b> | <b>-1.37%</b>        | <b>13.19</b>  | <b>1.41%</b>         |
| <i>Tax expense:</i>                                   |                                |                      |                             |                      |               |                      |               |                      |
| (i) Current tax                                       | 7.94                           | 0.76%                | 7.17                        | 0.47%                | -             | 0.00%                | 3.36          | 0.36%                |
| (ii) Deferred tax                                     | (0.87)                         | -0.08%               | 2.40                        | 0.16%                | (2.55)        | -0.36%               | 0.07          | 0.01%                |
| <b>Total Tax Expense</b>                              | <b>7.07</b>                    | <b>0.68%</b>         | <b>9.57</b>                 | <b>0.63%</b>         | <b>(2.55)</b> | <b>-0.36%</b>        | <b>3.43</b>   | <b>0.37%</b>         |
| <b>Profit for the year</b>                            | <b>24.30</b>                   | <b>2.33%</b>         | <b>26.96</b>                | <b>1.78%</b>         | <b>(7.25)</b> | <b>-1.02%</b>        | <b>9.76</b>   | <b>1.04%</b>         |

**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 as a percentage of our total income was 96.44%, 100.00% and 100.00% for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively.

**Other Income**

It is the income earned from commodity trading, commission received and bank interest.

**Expenditure**

Our total expenditure primarily consists of purchase of stock-in-trade, employee benefit expenses, finance costs and Other Expenses.

**Employee Benefit Expenses**

Our employee benefits expense comprises of salary and allowances and remuneration to directors.

**Finance costs**

Our Finance cost expenses comprises of bank charges, interest on borrowings, interest on delayed filing of return and interest on late payment of taxes.

**Other Expenses**

Other expenses primarily include remuneration to Statutory Auditor, advertisement expenses, conveyance expenses, stationery and courier expenses, electricity expenses, legal and professional charges, repairs and maintenance expenses, miscellaneous expenses, office expenses, provision for bad and doubtful debts, rent, telephone expenses, travelling expenses and rates & taxes.

**Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. 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.

**Fiscal 2021 compared with fiscal 2020****Income**

The total income of our company for fiscal year 2021 was ₹ 1,511.33 lacs against ₹ 712.77 lacs total income for Fiscal year 2020. An increase of 112.04% in total income.

**Expenditure****Purchase of stock-in-trade**

In Fiscal 2021, our Company incurred for purchase of stock-in-trade ₹ 1,431.71 lacs against ₹ 718.35 lacs expenses in fiscal 2020. An increase of 99.31% from fiscal 2020 to 2021.

**Employee Benefit Expenses**

In Fiscal 2021, our Company incurred for employee benefit expenses ₹ 18.48 lacs against ₹ 2.26 lacs expenses in fiscal 2020. An increase of 717.70% from fiscal 2020 to 2021. This increase was due to remuneration paid to directors in fiscal 2021.

**Finance Costs**

The finance costs for the fiscal 2021 was ₹ 0.29 lacs while it was ₹ 0.32 lacs for fiscal 2020.

**Other Expenses**

In fiscal 2021, our other expenses were ₹ 5.71 lacs and ₹ 1.67 lacs in fiscal 2020. An increase of 241.92% from fiscal 2020 to 2021 due to high remuneration to auditors, conveyance expense, high legal and professional charges, provision for debts etc.

## **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal 2021 of ₹ 36.53 lacs against profit before tax of ₹ (9.80) lacs in Fiscal 2020.

## **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal 2021 was positive at ₹ 26.96 lacs against profit after tax of ₹ (7.25) lacs in fiscal 2020.

## **Fiscal 2020 compared with fiscal 2019**

### **Income**

The total income of our company for fiscal year 2020 was ₹ 712.77 lacs against ₹ 935.64 lacs total income for Fiscal year 2020. A decrease of 23.82% in total income.

### **Expenditure**

#### **Purchase of stock-in-trade**

In Fiscal 2020, our Company incurred for purchase of stock-in-trade ₹ 718.35 lacs against ₹ 936.42 lacs expenses in fiscal 2019. A decrease of 23.29% from fiscal 2019 to 2020.

#### **Employee Benefit Expenses**

In Fiscal 2020, our Company incurred for employee benefit expenses ₹ 2.26 lacs against ₹ 2.74 lacs expenses in fiscal 2019. A decrease of 17.52% from fiscal 2019 to 2020.

### **Finance Costs**

The finance costs for the fiscal 2020 was ₹ 0.32 lacs while it was ₹ 0.27 lacs for fiscal 2019.

### **Other Expenses**

In fiscal 2020, our other expenses were ₹ 1.67 lacs and ₹ 1.60 lacs in fiscal 2019. An increase of 4.38% from fiscal 2019 to 2020 due to high rent expense.

## **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal 2020 of ₹ (9.80) lacs against profit before tax of ₹ 13.19 lacs in Fiscal 2019.

## **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal 2020 was negative at ₹ (7.25) lacs against profit after tax of ₹ 9.76 lacs in fiscal 2019.

## **Cash Flows**

(Amount ₹ in lacs)

| Particulars                           | For the period ended<br>September 30, 2021 | For the year ended March 31, |         |         |
|---------------------------------------|--------------------------------------------|------------------------------|---------|---------|
|                                       |                                            | 2021                         | 2020    | 2019    |
| Net Cash from Operating Activities    | (18.10)                                    | 80.05                        | (39.09) | (40.47) |
| Net Cash from Investing Activities    | 0.03                                       | -                            | -       | -       |
| Net Cash used in Financing Activities | 17.62                                      | (80.65)                      | 35.50   | 45.05   |

### **Cash Flows from Operating Activities**

Net cash from operating activities for fiscal 2021 was at ₹ 80.05 lacs as compared to the Profit Before Tax at ₹ 36.53 lacs while for fiscal 2020, net cash from operating activities was at ₹ (39.09) lacs as compared to the Profit Before Tax at ₹ (9.80) lacs. For fiscal 2019, the net cash from operating activities was ₹ (40.47) lacs compared to Profit before Tax of ₹ 13.19 lacs.

### **Cash Flows from Investment Activities**

There was no cash flows from investing during fiscal 2021, 2020 and 2019.

## Cash Flows from Financing Activities

Net cash from financing activities for fiscal 2021 was at ₹ (80.65) lacs due to repayment of borrowings while for fiscal 2020, net cash from financing activities was at ₹ 35.50 lacs due to proceeds from borrowings. For fiscal 2019, the net cash from financing activities was ₹ 45.05 lacs due to finance cost and proceeds from borrowings.

## OTHER MATTERS

### 1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### 2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on Page 97 and 100 respectively of this Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### 3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on Page 18 and 100 respectively of this Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### 4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on Page 18 of this Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### 5. Competition Conditions

The industry in we are operating faces competition from organized as well as unorganized players in the domestic market as well as in the international market. We have a number of competitors who manufacture and supply products, which are similar to us. Even with a diversified product portfolio, quality approach and modern technology we may have to face competitive pressures. We believe the principal elements of competition in our industry are price, quality, timely delivery and reliability. We compete against our competitors by establishing ourselves as an integrated tile products manufacturer with industry expertise in manufacturing tile products, which enables us to provide our clients with innovative products suitable to their needs and market requirements.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS 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 Promoters in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoters and Group Company.

Our Board, in its meeting held on November 15, 2021, determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Group Company: (a) where the aggregate amount involved, in such individual litigation exceeds 1% of the profit after tax of our Company, as per last audited financial statements; or (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the profit after tax of our Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of our Company, or (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputation of our Company, will be considered as material litigation ("**Material Litigation**").

Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding 5% of the trade payables for the last audited financial statements, as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on November 15, 2021. 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                   | 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 Company | Nil             | Nil              |
| Cases filed by our Company      | Nil             | Nil              |
| <b>Total</b>                    | <b>Nil</b>      | <b>Nil</b>       |

##### **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**

Nil

### **2. Civil and other Material Litigations**

Nil

## **2. LITIGATION INVOLVING OUR PROMOTERS**

### ***Cases filed against our Promoters***

#### **1. Criminal Proceedings**

Nil

#### **2. Actions taken by Statutory/Regulatory Authorities**

Nil

#### **3. Tax Proceedings**

Nil

#### **4. Other Material Litigations**

Nil

### ***Cases filed by our Promoters***

#### **1. Criminal Proceedings**

Nil

#### **2. Other Material Litigations**

Nil

### ***Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals***

As on date of this Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters 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**

Nil

#### **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 Prospectus, our Company does not have a subsidiary.

## 5. LITIGATION INVOLVING OUR GROUP COMPANY

As on date of this Prospectus, our Company does not have a group company.

## 6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

In terms of the Materiality Policy dated January 13, 2022, our Company has No material creditor, as on date of this Prospectus.

As on date of this Prospectus, our Company has No amount payable or outstanding towards small-scale undertakings. Details of amounts outstanding to material and other creditors is as follows:

(₹ in lacs)

| Particulars                                  | No. of Creditors | Amount         |
|----------------------------------------------|------------------|----------------|
| Outstanding dues to material creditors       | Nil              | Nil            |
| Outstanding dues to small scale undertakings | Nil              | Nil            |
| Outstanding dues to other creditors          | 15               | 1064.58        |
| <b>Total outstanding dues</b>                | <b>15</b>        | <b>1064.58</b> |

Complete details of outstanding dues to our creditors as on September 30, 2021 are available at the website of our Company, [www.dhyaaniinc.com](http://www.dhyaaniinc.com). Information provided on the website of our Company is not a part of this 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.dhyaaniinc.com](http://www.dhyaaniinc.com), would be doing so at their own risk. For further details, refer to the section titled "Financial Information" on page 97 of this Prospectus.

## **GOVERNMENT & OTHER 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 72 of this Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.

The following 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:

### **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 113 of this Prospectus.

### **APPROVALS FROM THE STOCK EXCHANGES**

- a) Our Company has received an in-principle approval from BSE dated March 17, 2022 for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0K5F01014.

### **GENERAL APPROVALS**

- a) Certificate of Incorporation dated October 9, 2014 under the Companies Act, 2013 issued by Registrar of Companies, Gujarat.
- b) Fresh Certificate of Incorporation dated October 18, 2021 under the Companies Act, 2013 issued by Registrar of Companies, Gujarat at Ahmedabad, consequent upon change of name of our Company to “Dhyaani Tile and Marblez Private Limited”.
- c) Fresh Certificate of Incorporation dated November 9, 2021 under the Companies Act, 2013 issued by Registrar of Companies, Gujarat at Ahmedabad, consequent upon conversion of our Company from a private limited company to a public limited company and subsequent change of name to “Dhyaani Tile and Marblez Limited”.
- d) Our Company’s UDYAM registration number issued by Government of India is UDYAM-GJ-01-0114620.
- e) Our Company’s importer exporter code issued by Government of India is AAFCD2675L.

### **TAX RELATED APPROVALS**

- a) Our Company’s permanent account number issued by the Income Tax Department is AAFCD2675L.
- b) Our Company’s tax deduction and collection number updated as on December 30, 2021 issued by the Income Tax Department is AHMD13253C.
- c) Registration certificate of goods and services tax (Gujarat) bearing registration number 24AAAFCD2675L2ZF updated as on December 10, 2021 issued by the Government of India.

### **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.

### **INTELLECTUAL PROPERTY RELATED APPROVALS**

As on date of this Prospectus, our Company has not applied for or availed any intellectual property approvals.

### **LICENSES/ APPROVALS FOR WHICH APPLICATIONS HAVE BEEN MADE BY OUR COMPANY AND ARE PENDING:**

Nil

### **LICENSES / APPROVALS WHICH HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE NOT BEEN MADE BY OUR COMPANY.**

Nil

**LICENSES / APPROVALS WHICH ARE REQUIRED BUT NOT YET APPLIED FOR BY OUR COMPANY:**

Our company is yet to apply for Shops & Eshtablishment certificate and professional tax registration certificate.

**OTHER REGULATORY AND STATUTORY DISCLOSURES****Authority for the Issue**

Our Board of Directors have vide resolution dated November 15, 2021 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on January 17, 2022, in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated March 17, 2022 to use the name of BSE in this Offer Document for listing of equity shares on the SME Platform of BSE Limited (BSE). BSE is the designated stock exchange.

**Prohibition by SEBI or Governmental Authorities**

We confirm that there is no prohibition on our Company, its Directors, Promoter, Group Company and entities forming part of our Promoter Group, person in control of our Company from accessing the capital market or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

**Prohibition by RBI**

Neither our Company nor any of our Promoter or Directors has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

**Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

**Association with Securities Market**

None of our Directors are, in any manner, associated with the Securities Market and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk factors*”, “*Our Promoters and Promoters’ Group*”, “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on Page No. 18, 92, 108 respectively, of this Prospectus.

**Eligibility for the Issue**

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue.

Our Company is eligible for the Issue in accordance with the Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up capital is less than ten crore rupees. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited i.e. BSE SME).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 33 of this Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we will file Prospectus with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.

4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the LM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 33 of this Prospectus.
5. The Post Issue paid up capital of the company will be less than ₹ 25 Crore.
6. As on date of filing this Prospectus, Net Tangible Assets of our Company is more than ₹ 150 Lakhs.
7. The Company has combined track record of 3 years.
8. The company has combined positive cash accruals (earnings before depreciation and tax) in two of the year out of last three years
9. The Net-worth of our Company is Positive as per latest audited financial statement.
10. Our Company’s net worth and cash accruals from operations (earnings before depreciation and tax), based on the Restated Standalone Financial Statements included in this Prospectus as at Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 are set forth below:

(Amount in Lakhs)

| Particulars   | March 31, 2021 | March 31, 2020 | March 31, 2019 |
|---------------|----------------|----------------|----------------|
| Net Worth     | 34.13          | 7.17           | 14.42          |
| Cash Accruals | 36.77          | (9.53)         | 13.46          |

(i) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

(ii) Cash accruals has been defined as the Earnings before depreciation and tax from operations.

11. The Company will mandatorily facilitate trading in demat securities and will enter into agreement with both the depositories.
12. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
13. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
14. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
15. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.
16. Our Company has a website i.e. [www.dhyaaniinc.com](http://www.dhyaaniinc.com)

#### Other Disclosures:

- 1) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company in the Prospectus.
- 2) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. Except as mentioned in the Prospectus. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- 3) We have Disclosed the details of the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “Outstanding Litigation & Material Developments” on page 108 of this Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with

serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page 108 of this Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated December 29, 2021 with NSDL and agreement dated December 17, 2021 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters are in dematerialized form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals – Not required as the object of Issue is purchase of plant and machinery, general corporate purpose and issue expenses, for details, please refer the chapter “*Objects of the Issue*” on page 50 of this Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- c) Neither our Company nor our Promoters or Directors is a wilful defaulter.
- d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

## DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER GYR CAPITAL ADVISORS PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 24, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.**

**Note:** All legal requirements pertaining to the Issue will be complied with at the time of registration of this Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

#### **Disclaimer from our Company, the Directors and the Lead Manager**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this 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 would be doing so at his or her own risk.

#### **Disclaimer in respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **Disclaimer Clause of the BSE**

"BSE Limited ("BSE") has given vide its letter dated March 17, granted a permission to Our Company to use its name in the offer document as the stock exchanges on whose Small and Medium Enterprises Platform ("SME Platform"), the company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and the investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquires, investigation and analysis. The price at which the Equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the Issue and the Exchange has no role to play in the same and it should not be for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.

- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME Platform of BSE Limited on its own initiative and at its own risk and is responsible for complying with all local laws, rules, regulations and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME Platform of BSE Limited and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.”

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S 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.

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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**Listing**

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited as mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated March 17, 2022 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE Limited.

**Consents**

Consents in writing of: (a) the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisor to the Issue, Banker to the Company, Banker to the Issue, Share Escrow Agent, Market Maker and Underwriter(s) to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. J Singh & Co, Chartered Accountants, have provided their written consent to the inclusion of their reports dated January 23, 2022 on Restated Financial Statements and to the inclusion of their reports dated on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

**Expert Opinion**

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on Restated Financial Statements for the financial years ended March 31, 2021, 2020 and 2019 as included in this Prospectus, our Company has not obtained any expert opinion.

Here, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **Capital Issue during the last five years**

### **Previous Public and Rights Issues**

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

### **Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

None of our Group Company / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

We do not have any subsidiary as on date of this Prospectus.

### **Previous Issues of Equity Shares otherwise than for Cash**

Except as stated in the chapter titled “*Capital Structure*” beginning on Page No. 42 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

## **Performance vis-à-Vis Objects**

### **Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

### **Listed Group Companies / Subsidiaries / Associate Companies**

None of our Group Companies / Subsidiaries / Associates is listed on any Stock Exchange and not made any rights and public issues in the past ten (10) years.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

**Price Information of past issues handled by the Lead Manager**

| Sr. No. | Issue Name                 | Issue size (₹ In Cr.) | Issue Price (₹) | Listing date | Opening price on listing date | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing* |        | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing* |        | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing* |   |
|---------|----------------------------|-----------------------|-----------------|--------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------|---------------------------------------------------------------------------------------------------------------------------|--------|----------------------------------------------------------------------------------------------------------------------------|---|
| 1.      | Naapbooks Limited          | 3.99                  | 74              | 15.09.2021   | 77.00                         | -16.22%                                                                                                                   | 4.40%  | -29.73%                                                                                                                   | -1.59% | -                                                                                                                          | - |
| 2.      | Asccensive Educare Limited | 2.25                  | 26              | 12.01.2022   | 27.60                         | -1.31%                                                                                                                    | -1.50% | -                                                                                                                         | -      | -                                                                                                                          | - |

\* Companies have been listed on September 15, 2021 and January 01, 2021 hence not applicable

**Summary Statement of Disclosure**

| Financial Year | Total no. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day* |                |               | Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day* |                |               | Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day* |                |               | Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day* |                |               |
|----------------|-------------------|-------------------------------|------------------------------------------------------------------------------------|----------------|---------------|-----------------------------------------------------------------------------------|----------------|---------------|-------------------------------------------------------------------------------------|----------------|---------------|------------------------------------------------------------------------------------|----------------|---------------|
|                |                   |                               | Over 50%                                                                           | Between 25-50% | Less than 25% | Over 50%                                                                          | Between 25-50% | Less than 25% | Over 50%                                                                            | Between 25-50% | Less than 25% | Over 50%                                                                           | Between 25-50% | Less than 25% |
| 2021-2022      | 2                 | 6.25                          | -                                                                                  | -              | 2             | -                                                                                 | -              | -             | -                                                                                   | -              | -             | -                                                                                  | -              | -             |

\* Companies have been listed on September 15, 2021 and January 01, 2021 hence not applicable

**Notes:**

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. Source: [www.bseindia.com](http://www.bseindia.com)

**Track record of past issues handled by the Lead Manager**

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Lead Manager at [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)

## Disposal of Investor Grievances

### Mechanism for Redressal of Investor Grievances

The Company has appointed Link Intime Technologies Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Board by a resolution on January 13, 2022 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

| Name of the Member              | Nature of Directorship | Designation in Committee |
|---------------------------------|------------------------|--------------------------|
| Mrs. Ilaben Nayanbhai Rajyaguru | Non-Executive Director | Chairperson              |
| Mr. Paras Jivarajbhai Viramgama | Independent Director   | Member                   |
| Mr. Vishal Kantibhai Sondagar   | Independent Director   | Member                   |

For further details, please refer the chapter titled “Our Management” beginning on Page No. 81 of this Prospectus.

Our Company has also appointed Ms. Foram Ajmeri, as the Compliance Officer for the Issue and can be contacted at the Corporate Office of our Company.

### MS. FORAM AJMERI

420, Times Square Arcade, Opp. Rambaug,

Thaltej-Shilaj Road, Thaltej,

Ahmedabad – 380059, Gujarat, India

**Tel:** 079-4100 5865

**Email:** [cs@dhyaaniinc.com](mailto:cs@dhyaaniinc.com)

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre Issue or post Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

### Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

### Disposal of Investor Grievances by Listed Companies under the same Management

None of our Group Companies / Associates / Subsidiaries are listed on any Stock Exchange as on the date of filing this Prospectus.

## **SECTION VIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

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, SEBI through 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.

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 websites of the concerned stock exchanges 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**

Our Board of Directors have vide resolution dated November 15, 2020 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on January 17, 2022, in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated March 17, 2022 to use the name of BSE in this Offer Document for listing of equity shares on the SME Platform of BSE Limited (BSE). BSE is the designated stock exchange.

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank *pari-passu* in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer the section titled “Main Provisions of the Articles of Association” beginning on Page No. 146 of this Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, refer chapter

titled “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on Page No. 96 and 146 of this Prospectus.

## Face Value and Issue Price

The Equity Shares having a face value of ₹ 10/- each are being issued in terms of this Prospectus at the price of ₹ 51/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on Page No. 55 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## Compliance with SEBI (ICDR) Regulations, 2018

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 and 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 and e-voting, in accordance with the provisions of the Companies Act;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- ✓ Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer the section titled “*Main Provisions of Articles of Association*” beginning on Page No. 146 of this Prospectus.

## Allotment only in Dematerialised Form

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated December 29, 2021 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated January 17, 2021 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

## Minimum Application Value, Market Lot and Trading Lot

Trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE 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 2,000 Equity Share subject to a minimum allotment of 2,000 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

## Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of Issue.

## Joint Holders

Where 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.

## Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 and the rules made there under, 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 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, 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 Agents of our Company.

In accordance with Articles of Association of the Company, 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 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.

In case the allotment of Equity Shares 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.

## ISSUE PROGRAMME

An indicative time table in respect of the Issue is set out below:

| Event                                                                 | Indicative Date                      |
|-----------------------------------------------------------------------|--------------------------------------|
| Issue Opening Date                                                    | Wednesday, March 30, 2022            |
| Issue Closing Date                                                    | Monday, April 04, 2022               |
| Finalization of Basis of Allotment with the Designated Stock Exchange | Thursday, April 07, 2022             |
| Initiation of Allotment / Refunds / Unblocking of Funds               | On or before Friday, April 08, 2022  |
| Credit of Equity Shares to demat accounts of Allottees                | On or before Monday, April 11, 2022  |
| Commencement of trading of the Equity Shares on the Stock Exchange    | On or before Tuesday, April 12, 2022 |

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, 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.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is

clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

### **Minimum Subscription**

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of 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 offer, our Company shall forthwith refund the entire subscription amount received, if there is a delay beyond eight (8) days, after our Company become 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 as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

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.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares. 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 SME Platform of BSE Limited.

### **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.

### **As per the extant Guidelines of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or

Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## **Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for the lock-in of the pre-Issue capital of our Company, Promoters' Contribution and the public lock-in as provided in the chapter titled "*Capital Structure*" beginning on Page No. 42 of this Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, refer section titled "*Main Provisions of the Articles of Association*" beginning on Page No. 146 of this 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

## **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Issue.

## **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, 2018 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.

## **Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two 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 Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment. If our Company in consultation with the Lead Manager withdraws the Issue after the Issue Closing Date and thereafter determine that they will proceed with an IPO, our Company shall file a fresh Prospectus.

## **Migration to Main Board**

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the Company is more than ₹10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

**Market Making**

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Platform of BSE Limited for a minimum period of three years from the date of listing on the SME Platform of BSE Limited.

For further details of the agreement entered into between our company, the Lead Manager and the Market Maker, please refer the chapter titled "*General Information*" beginning on Page No. 33 of this Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post-issue face value capital doesn't exceed ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being SME Platform of BSE Limited). For further details regarding the salient features and terms of such this Issue, please refer the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on Page No. 121 and 129 respectively, of this Prospectus.

Following is the Issue Structure:

*Public Issue of 4,80,000 Equity Shares of ₹ 10/- each ("Equity Shares") for cash at a price of ₹ 51/- per Equity Share aggregating to ₹ 244.80 lakhs ("the Issue") by Dhyaani Tile and Marblez Limited ("Dhyaani" or the "Company").*

*The Issue comprises a reservation of 24,000 Equity Shares of ₹ 10/- each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 4,56,000 Equity Shares of ₹ 10/- each ("the Net Issue"). The Issue and the Net Issue will constitute 31.58% and 30.00%, respectively of the post issue paid up equity share capital of the company. The Issue is being made through the Fixed Price Process:*

| Particulars of the Issue                          | Net Issue to Public                                                                                                                                                                                                                                                                                                                                                   | Market Maker Reservation Portion                                                                                                         |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Number of Equity Shares available for allocation  | 4,56,000 Equity Shares                                                                                                                                                                                                                                                                                                                                                | 24,000 Equity Shares                                                                                                                     |
| Percentage of Issue Size available for allocation | 95.00% of the Issue Size                                                                                                                                                                                                                                                                                                                                              | 5.00% of the Issue Size                                                                                                                  |
| Basis of Allotment                                | Proportionate subject to minimum allotment of 2,000 Equity Shares and further allotment in multiples of 2,000 Equity Shares each.                                                                                                                                                                                                                                     | Firm Allotment                                                                                                                           |
| Mode of Application                               | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).                                                                                                                                                                                                 |                                                                                                                                          |
| Mode of Allotment                                 | Compulsorily in dematerialized form                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                          |
| Minimum Application Size                          | <i>For Other than Retail Individual Investors:</i><br>Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000/-.<br><br><i>For Retail Individuals:</i> 2,000 Equity Shares                                                                                                                                | 24,000 Equity Shares                                                                                                                     |
| Maximum Application Size                          | <i>For Other than Retail Individual Investors:</i><br>Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Size does not exceed 4,56,000 Equity Shares.<br><br><i>For Retail Individuals:</i><br>Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000/-. | 24,000 Equity Shares                                                                                                                     |
| Trading Lot                                       | 2,000 Equity Shares                                                                                                                                                                                                                                                                                                                                                   | 2,000 Equity Shares, however the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| Terms of Payment                                  | The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Bank through the UPI Mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form.                                                                                                                         |                                                                                                                                          |

| Particulars of the Issue | Net Issue to Public                                                   | Market Maker Reservation Portion |
|--------------------------|-----------------------------------------------------------------------|----------------------------------|
| Application Lot Size     | 2,000 Equity Share and in multiples of 2,000 Equity Shares thereafter |                                  |

**Note:**

- Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - Minimum fifty per cent to retail individual investors; and
  - Remaining to:
    - individual applicants other than retail individual investors; and
    - other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
- In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB.

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME Platform of BSE Limited and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in ₹)        | Lot Size (No. of shares) |
|---------------------------|--------------------------|
| Up to 14                  | 10,000                   |
| More than 14 up to 18     | 8,000                    |
| More than 18 up to 25     | 6,000                    |
| More than 25 up to 35     | 4,000                    |
| More than 35 up to 50     | 3,000                    |
| More than 50 up to 70     | 2,000                    |
| More than 70 up to 90     | 1,600                    |
| More than 90 up to 120    | 1,200                    |
| More than 120 up to 150   | 1,000                    |
| More than 150 up to 180   | 800                      |
| More than 180 up to 250   | 600                      |
| More than 250 up to 350   | 400                      |
| More than 350 up to 500   | 300                      |
| More than 500 up to 600   | 240                      |
| More than 600 up to 750   | 200                      |
| More than 750 up to 1,000 | 160                      |
| Above 1,000               | 100                      |

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (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, the circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

The General Information Documents to be included will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, 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. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the timeline for implementation of UPI Phase II was extended till March 31, 2020. However, pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the UPI Phase II will continue until further notice by SEBI. Subsequently, the final reduced timeline of T+3 will be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the procedure set forth is under UPI Phase II.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### **Phased implementation of Unified Payments Interface**

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and was continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the 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 would continue to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I i.e. 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 Application Form by Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. As per SEBI circular SEBI/SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the UPI Phase II will continue until further notice by SEBI.

**Phase III:** Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are 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 Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

### **Fixed Price Issue Procedure**

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications 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 the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum 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 Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (as applicable) shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

### **Application Form**

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI Mechanism) must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Applicants may participate in the Offer through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will

also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

The prescribed colour of the Application Form for various categories is as follows:

| Category                                                                                  | Colour <sup>(1)</sup> |
|-------------------------------------------------------------------------------------------|-----------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis                   | White                 |
| Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis | Blue                  |

<sup>(1)</sup>Excluding electronic Application Form.

Designated Intermediaries shall submit Application Forms (except the Application Form for a Retail Applicants using the UPI Mechanism) to SCSBs and shall not submit it to any non-SCSB bank.

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic Bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. 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) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares; and
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

## Participation by associates/affiliates of Lead Manager, Promoters, Promoter Group and Persons related to Promoters/Promoter Group

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

## Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

## **Application by HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

## **Applications by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIBs applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Application.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") are subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the Company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit.

## **Application by Indian Public including eligible NRIs applying on Non-Repatriation**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

## **Application by FIIs and FPIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further,

in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a Company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

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, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange In India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent except where pre-approval is provided.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

## **Application by SEBI Registered Alternative Investment Funds (AIFs), Venture Capital Funds (VCFs) and Foreign Venture Capital Investors (FVCIs)**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an Initial Public Offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

## **Applications by Limited Liability Partnerships**

In case of applications 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 Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

## **Applications by Insurance Companies**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

- a. Equity shares of a Company: the lower of 10%<sup>(1)</sup> of the investee Company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a 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 a 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 respective fund of a life insurer or general insurance or 15% of the investment assets, 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 points (i), (ii) or (iii) above, as the case may be.

*<sup>(1)</sup>The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

#### **Application by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **Application by Systemically Important Non-Banking Financial Companies**

In case of Applications made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **Applications by Banking Companies**

In case of Applications 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 Application Form, failing which our Company in consultation with the LM reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 (the "Financial Services Directions"), is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to inter alia make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed under 5(b)(i) of the Financial Services Directions), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a) (v) (c) (i) of the Financial Services Directions. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in

financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

## Applications by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) 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.

## Application under Power of Attorney

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 crores (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore. Our Company in consultation with the LM, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company, in consultation with the lead manager, may deem fit, without assigning any reasons thereof.

***The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.***

## Participation by associates and affiliates of the Lead Manager

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non-retail Portion, where the allocation is on a proportionate basis.

## Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper and one Hindi language national daily newspaper each with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

## Signing of the Underwriting Agreement and the RoC filing

- 1) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on March 02, 2022 and addendum to Underwriting Agreement March 24, 2022.
- 2) For terms of the Underwriting Agreement please refer chapter titled "General Information" beginning on Page No. 33 of this Prospectus.
- 3) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

## Filing of Prospectus with RoC

Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date in terms of Section 26 of Companies Act, 2013.

## Designated date and allotment of Equity shares designated date

- a) **Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants 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.
- e) 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 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

### Availability of the Prospectus and Application Forms

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Managers, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

### Information for the Applicants

In addition to the instructions provided to the Applicants in the *General Information Document*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days.
2. The relevant Designated Intermediary will enter each Application into the Electronic Bidding System and generate an acknowledgement slip (“**Acknowledgement Slip**”), and give the same to the Applicant. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the Electronic Bidding System should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 2,00,000. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 2,00,000, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their Application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.

6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

## General Instructions

### Do's:

- Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of your Application;
- Retail Applicants using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Application Form;
- Retail Applicants shall ensure that the bank, with which such Retail Applicants has a bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by the NPCI;
- Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications 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 Applicants 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;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

- Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- For Retail Applicants using the UPI mechanism, ensure that you approve the request generated by the Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
- Retail Applicants shall ensure that details of the Applications are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorize the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Applicant may be deemed to have verified the attachment containing the application details of the Retail Applicant in the UPI mandate request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form;
- Retail Applicants using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form;
- Retail Applicants using the UPI mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- Do not apply by another Application Form after submission of Application to the Designated Intermediary.
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not apply for a Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;

- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit more than 1 Application Form for each UPI ID in case of Retail Applicants Applying through the Designated Intermediary using the UPI Mechanism;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not apply 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);
- Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Applicants using the UPI mechanism;
- Do not submit incorrect UPI ID details, if you are a Retail Applicants applying through UPI Mechanism;
- Do not submit more than One Application Form per ASBA Account;
- Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise
- If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 p.m. on the Issue Closing Date;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## Instructions for completing the Application Form

In addition to the instructions for completing the Application Form provided in the sub-section “General Information Document for Investing in Public Offers – Applying in the Offer – Instructions for filing the Bid cum Application Form / Application Form” Applicants are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
3. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

## Payment Instructions

The entire Issue Price of ₹ 51/- per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

## Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Managers or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

## Basis of Allotment

Allotment will be made in consultation with BSE (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 2,000 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 2,000 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the draws 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 2,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 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.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) The 50% net Issue of shares to the Public (i.e. 2,28,000 Equity Shares) shall be made available for allotment to retail individual investors; and
  - b) The balance net Issue of shares to the public (i.e. 2,28,000 Equity Shares) shall be made available for allotment to Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions.
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than allocated portion on proportionate basis, the retails individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “Basis of Allotment” in the chapter titled “*Issue Procedure*” beginning on Page No. 129 of this Prospectus.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE Limited.

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in the chapter titled “*General Information*” beginning on Page No. 33 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 SME Platform of BSE Limited – the Designated Stock Exchange in addition to 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, 2018.

## **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **Grounds for Rejections**

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Offers*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

- Applications submitted without payment of the entire Application Amount;
- Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
- Applications submitted on a plain paper;
- Applications submitted by Applicants using third party bank accounts or using a third party linked bank account UPI ID;
- Applications by HUFs not mentioned correctly as given in the sub-section “Who can Apply?” in this chapter;
- Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- Application submitted without the signature of the First Applicant or sole Applicants;
- Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
- GIR number furnished instead of PAN;
- Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 2,00,000;
- Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- Applications by Applicants (who are not Anchor Investors) accompanied by cheques or demand drafts;
- Applications accompanied by stock invest, money order, postal order or cash;
- Application by OCB.

## **Designated Date and Allotment**

- a) Our Company will ensure that the Allotment and credit to the successful Applicants’ depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

## **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

## **Letters of Allotment or Refund Orders or Instructions to the SCSBs**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful Applications within 6 Working Days of the Issue Closing Date.

## Mode of Refund

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

### Interest in case of delay in allotment or refund:

The Issuer shall allot the equity shares offered to the public within the period prescribed by the Board. The Issuer may pay interest at the rate of 15% per annum in case demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within 15 Days of 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, 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”**

## Undertaking by our Company

We undertake the following:

- 1) If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 7) Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 8) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) No further Issue of Equity Shares shall be made till the Equity Shares offered through this Issue Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms.

## Utilization of Issue Proceeds

The Board of Directors certifies that:

1. All monies received out of the 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;
2. Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the FEMA and various regulations made thereunder. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DIPP also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DIPP with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Foreign investment is allowed up to 100% under automatic route, subject to applicable laws/regulations, security and other conditionalities in our Company. For further details kindly refer the chapter titled “*Key Industry Regulations and Policies*” beginning on Page no. 72 of this Prospectus.

RBI has also issued Master Direction-Foreign Investment in India dated January 4, 2018 (“**Master Direction**”). In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are 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 Directions.

The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Offer, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% shall increase to the sectoral cap applicable to the Indian Company which in case of our Company is 100%. Further, the aggregate limit as provided above may be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before 31st March, 2020. In the event the Company decreases its aggregate limit to 24% or 49% or 74%, then it may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling, respectively as deemed fit, with the approval of its Board of Directors through a resolution and of its shareholders by means of a special resolution. However, once the aggregate limit has been increased to a higher threshold, the Company cannot reduce the same to a lower threshold. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the Shareholders of the Company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment (“**FDI**”) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## **SECTION IX – MAIN PROVISIONS OF AOA**

### **CONSTITUTION OF THE COMPANY**

- (a) The regulations contained in table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.
- (b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

### **2. DEFINITIONS AND INTERPRETATION**

#### **A. Definitions**

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- (a) **“Act”** means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- (b) **“Annual General Meeting”** shall mean a General Meeting of the holders of Equity Shares held annually and any adjournment thereof in accordance with the applicable provisions of the Act.
- (c) **“Articles”** shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- (d) **“Auditors”** shall mean and include those persons appointed as such for the time being by the Company.
- (e) **“Board” or “Board of Directors”** shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
- (f) **“Board Meeting”** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles and Act.
- (g) **“Business Day”** shall mean a day on which scheduled commercial banks are open for normal banking business;
- (h) **“Capital” or “Share Capital”** shall mean the authorized share capital of the Company.
- (i) **“Charge”** means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage.
- (j) **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 35 herein below.
- (k) **“Company” or “this Company”** shall mean **DHYAANI TILE AND MARBLEZ LIMITED**.
- (l) **“Committees”** shall have the meaning ascribed to such term in Article 66.
- (m) **“Company Secretary” or “Secretary”** shall mean a Company Secretary as defined in Section (c) of subsection (1) of Section 2 of the Company Secretary Act, 1980 and who is appointed by a Company to perform the functions of a Company Secretary under this Act.
- (n) **“Debenture”** includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
- (o) **“Depositories Act”** shall mean The Depositories Act, 2018 and shall include any statutory modification or re-enactment thereof.
- (p) **“Director”** shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- (q) **“Dividend”** shall include interim dividends.
- (r) **“Document”** includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

- (s) **“Encumbrance”** shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- (t) **“Equity Share Capital”** shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.
- (u) **“Equity Shares”** shall mean fully paid-up equity shares of the Company having a par value per equity shares of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- (v) **“Executor” or “Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- (w) **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the members duly called and constituted and adjourned holding in accordance with the provisions of the Articles and Act.
- (x) **“Financial Year”** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- (y) **“Law/Laws”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- (z) **“Memorandum”** shall mean the Memorandum of Association of the Company, as amended from time to time.
- (aa) **“Month”** means a calendar month.
- (bb) **“Office”** shall mean the registered office for the time being of the Company.
- (cc) **“Paid-up”** shall include the amount credited as paid up.
- (dd) **“Person”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- (ee) **“Register of Members”** shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act.
- (ff) **“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- (gg) **“Rules”** shall mean the rules made under the Act and as notified from time to time.
- (hh) **“Seal”** shall mean the common seal(s) for the time being of the Company, if any.
- (ii) **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- (jj) **“SEBI Listing Regulations”** shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.
- (kk) **“Securities” or “securities”** shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.
- (ll) **“Shares” or “shares”** shall mean any share issued in the Share Capital of the Company, including Equity Shares, preference shares and includes stock.
- (mm) **“Shareholder” or “shareholder” or “member”** shall mean any shareholder of the Company, from time to time.

- (nn) **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.
- (oo) **“Stock Exchanges”** shall mean the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities will be / are listed.

## **B. Interpretation**

In these Articles (unless the context requires otherwise):

- (a) References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
- (b) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- (c) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- (d) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (e) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- (f) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- (g) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re- enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (h) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

## **3. EXPRESSIONS IN THE ACT AND THESE ARTICLES**

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## **4. SHARE CAPITAL**

- (a) The Authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.
- (b) The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles.
- (c) The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- (d) The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.
- (e) Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the

provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

- (f) 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 accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.
- (g) The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

## 5. PREFERENCE SHARES

### (a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

### (b) Convertible Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

## 6. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

- ☐ No such preference shares shall be redeemed except out of 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 the redemption;
- ☐ No such shares shall be redeemed unless they are fully paid;
- ☐ The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- ☐ Where any 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 applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;
- ☐ The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- ☐ The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- ☐ Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

## 7. COMPANY'S LIEN:

On shares

- (a) The Company shall have a first and paramount lien:

- ☐ on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;
- ☐ on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

- (b) The Company's lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (c) For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;

Provided that no sale of such shares shall be made:

- ☐ unless a sum in respect of which the lien exists is presently payable; or
- ☐ until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

- (d) No Shareholder shall exercise any voting right in respect of any shares or Debentures 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 exercised any right of lien.
- (e) Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities.

## 8. CALLS

- (a) Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- (b) 14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.
- (c) The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.
- (d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.
- (e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- (f) If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment hereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 12 (twelve) per cent per annum or such

lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.

- (g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- (h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors 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 and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.
- (i) The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.
- (j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.
- (k) No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.

## **9. TRANSFER AND TRANSMISSION OF SHARES**

- (a) The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, The Company shall use a common form of transfer in all cases. Every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- (c) I. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

- 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 in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- (e) Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in Article 72(g) be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the shares.
- (f) The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (g) Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.
- Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
- (h) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- (i) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number.
- (j) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein 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.
- (k) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint- holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 9 (a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- (l) Subject to the provisions of Articles and the Act, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to

give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares 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 in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

- (m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.
  - i. Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to register himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.
  - ii. Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a unpaid dividend account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/ or bonus shares in relation to such shares.
  - iii. In case of transfer and transmission of shares or other securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.
- (n) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (o) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration or other similar documents.
- (p) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and 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 book 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.
- (q) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## **10. DEMATERIALIZATION OF SECURITIES**

- (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (b) Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a 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.
- (c) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.
- (d) **Securities in Depositories to be in fungible form:**

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

**(e) Rights of Depositories & Beneficial Owners:**

- 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 purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
- ii. Save as otherwise provided in the above point, 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 shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
- iv. The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

**(f) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l).**

**(g) Register and Index of Beneficial Owners:**

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

**(h) Cancellation of Certificates upon surrender by Person:**

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

**(i) Service of Documents:**

Notwithstanding anything contained in the Act or these Articles to the contrary, 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 by delivery of floppies or discs.

**(j) Transfer of Securities:**

- i. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
- ii. In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

**(k) Allotment of Securities dealt with in a Depository:**

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

**(l) Certificate Number and other details of Securities in Depository:**

- i. Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

**(m) Provisions of Articles to apply to Shares held in Depository:**

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

**(n) Depository to furnish information:**

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 Law and the Company in that behalf.

**(o) Option to opt out in respect of any such Security:**

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

**(p) Overriding effect of this Article:**

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

## **11. FORFEITURE OF SHARES**

- (a) If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives 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.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.
- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- (e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the

forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board 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 of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or 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.
- (j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
- (l) The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

## **12. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by a Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its Share Capital by such amount as it thinks expedient;
- (b) Consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares.
- (c) Provided that 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;
- (d) convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;
- (e) sub-divide its existing 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; and
- (f) cancel its 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. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

## **13. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

## 14. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

## 15. POWER TO MODIFY RIGHTS

- Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.
- To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

## 16. REGISTERS TO BE MAINTAINED BY THE COMPANY

- (a) The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act
- ☐ A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
  - ☐ A register of Debenture holders; and
  - ☐ A register of any other security holders.
- (b) The Company may keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.
- (c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

## 17. SHARES AND SHARE CERTIFICATES

- (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (b) A duplicate certificate of shares may be issued, if such certificate:
- is proved to have been lost or destroyed; or
  - has been defaced, mutilated or torn; and is surrendered to the Company.
- (c) The Company shall be entitled to dematerialize its existing Shares, rematerialize its Shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the regulations framed there under, if any.
- (d) 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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate 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 the applicable provisions of the Act and Law.

- (e) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- (f) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (g) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- (h) The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article.
- (i) All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- (j) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (k) If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.
- (l) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

## **18. SHARES AT THE DISPOSAL OF THE DIRECTORS**

- (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.
- (b) Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.
- (c) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- (d) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.
- (e) In accordance with Section 56 and other applicable provisions of the Act and the Rules:

- Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed thereunder. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.
- Every Shareholder 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 time 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 2 (two) months from the date of allotment in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and 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 of shares to the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding ₹ 20 (Rupees 20).
- The Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.
- A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## **19. UNDERWRITING AND BROKERAGE**

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

## **20. FURTHER ISSUE OF SHARE CAPITAL**

- (a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - (I) 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:
    - A. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - B. 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 the above point shall contain a statement of this right;

- C. 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 may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.
- (II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
- (III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (I) or Article (II) above, 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 the Rules and such other conditions, as may be prescribed under Law.
- (b) The notice referred to in sub-clause A of Article 20(a)(I) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
- (c) Nothing in this Article 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:
- Provided that 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 a General Meeting.
- (d) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

## **21. NOMINATION BY SECURITIES HOLDERS**

- (a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- (b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.
- (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

## **22. NOMINATION FOR DEPOSITS**

A security holder may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

## **23. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which

he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities 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 in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

## 24. BORROWING POWERS

- (a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:
- (I) accept or renew deposits from Shareholders;
  - (II) borrow money by way of issuance of Debentures;
  - (III) borrow money otherwise than on Debentures;
  - (IV) accept deposits from Shareholders either in advance of calls or otherwise; and
  - (V) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

- (b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.
- (c) Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.
- (d) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holders resident in that state or country.
- (e) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (f) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## 25. SHARE WARRANTS

- (a) Share warrants may be issued as per the provisions of applicable Law.
- (b) **Power to issue share warrants**

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as

the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

**(c) Deposit of share warrant**

- (I) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.
- (II) Not more than one person shall be recognised as depositor of the share warrant.
- (III) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

**(d) Privileges and disabilities of the holders of share warrant**

- (I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.
- (II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

**e) Issue of new Share Warrant or Coupon**

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

**26. CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

- (a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.
- (b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) Where the shares are converted into stock, such of the Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock -holder" respectively.

**27. CAPITALISATION OF PROFITS**

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- (c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
  - (I) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

- (II) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
- (III) partly in the way specified in sub-article (I) and partly in the way specified in sub-article (II).
- (d) A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

## **28. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

- (a) The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28.
- (b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
  - (I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
  - (II) generally do all acts and things required to give effect thereto.
- (c) The Board shall have full power:
  - (I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and
  - (II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- (d) Any agreement made under such authority shall be effective and binding on all such shareholders.

## **29. ANNUAL GENERAL MEETING**

In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

## **30. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

## **31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

- (a) Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

## **32. NOTICE OF GENERAL MEETINGS**

- (a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on

which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
- (II) Auditor or Auditors of the Company, and
- (III) All Directors.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

- (b) Notice of meeting to specify place, etc., and to contain statement of business:

Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

- (c) Contents and manner of service of notice and Persons on whom it is to be served : Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules thereunder personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.
- (d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act.
- (e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- (g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

### **33. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

- (a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of 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 and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the

requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

- (d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (e) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (f) The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

#### **34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

#### **35. CHAIRMAN**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

#### **36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate 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.

#### **37. DEMAND FOR POLL**

- (a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman

shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.
- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

## **38. PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company 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 the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

## **39. VOTES OF MEMBERS**

- (a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- (b) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- (c) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- (d) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- (e) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

- (f) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- (g) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (h) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- (i) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (j) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (k) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.
- (l) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (m) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
- (n) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- (o) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (p) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- (q) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

#### **40. MINUTES OF THE GENERAL MEETING**

- (I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- (II) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
- (III) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

- (IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- (VI) Any such Minutes shall be evidence of the proceedings recorded therein.
- (VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- (VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of :
  - A. the names of the Directors and Alternate Directors present at each General Meeting;
  - B. all Resolutions and proceedings of General Meeting.

#### **41. DIRECTORS**

- (a) Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.
- (b) The Persons named hereinafter are the Directors of the Company at the time of adoption of new set of Articles:-
  - (1) **Mr. CHINTAN NAYAN BHAI RAJYAGURU** (DIN 08091654)
  - (2) **Mrs. ILABEN NAYANBHAI RAJYAGURU** (DIN 08091655)
  - (3) **Mr. NAYANKUMAR LABHSHANKER RAJYAGURU** (DIN 08997548)
- (c) Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.
- (d) The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

#### **42. CHAIRMAN OF THE BOARD OF DIRECTORS**

- (a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.
- (b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

#### **43. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

#### **44. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill

a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

## **45. DEBENTURE DIRECTORS**

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

## **46. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations.

## **46. NOMINEE DIRECTOR**

The Board may 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.

## **47. PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS**

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.

## **48. APPOINTMENT OF SPECIAL DIRECTORS**

On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

## **49. REMUNERATION OF DIRECTORS**

- (a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

- (b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- (c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- (d) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

## **50. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

## **51. MISCELLANEOUS EXPENSES OF DIRECTORS**

In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them: (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

## **52. CONTINUING DIRECTORS**

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

## **53. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR**

- (a) A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.
- (b) Subject to the applicable provisions of the Act, 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.

## **54. RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST**

The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

## **55. RETIREMENT OF DIRECTORS BY ROTATION**

- (a) At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.
- (b) The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become 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. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

## **56. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

- (a) If the place 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 national holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place 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 reappointed at the adjourned meeting, unless:
  - (I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - (II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - (III) he is not qualified or is disqualified for appointment;
  - (IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or
  - (V) Section 162 of the Act is applicable to the case.

## **57. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER**

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager be determined.

## **58. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

- (a) Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager.
- (b) The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

## **59. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary ail or any of such powers.

## **60. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);

- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans; and
- (g) any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

## **61. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- (a) At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.
- (b) 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 prescribed under the Act, 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. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (d) The Board may meet either at the Office of the Company, or at any other location in India or outside India, as the Chairman may determine.
- (e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

## **62. QUORUM FOR BOARD MEETING**

- (I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.
- (II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

## **63. CASTING VOTE**

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting

vote. 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.

## 64. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution: -

- (I) 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 such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
- (II) Remit, or give time for repayment of, any debt due by a Director;
- (III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
- (IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years.

### (c) Certain Powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:

- (I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.
- (II) Payment out of Capital: To pay and charge to the capital account of the company any commission or interest lawfully payable there out under the provisions of Sections 40(6) of the Act,
- (III) To acquire property: Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,
- (IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (V) To secure contracts: To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or 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.
- (VI) To accept surrender of shares: To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

- (VII) To appoint Trustees: To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; 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.
- (VIII) To bring and defend actions: To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (IX) To act in insolvency matters: To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (X) To give receipts: To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.
- (XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (XII) To provide for Personal Liabilities: 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 whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (XIII) To authorise acceptances: 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 necessary authority for such purpose.
- (XIV) To distribute bonus: To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any 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 part of the working expenses of the Company.
- (XV) To provide for welfare of employees : To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or 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.
- (XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they 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 or to repay debentures or debenture-stock, or for special dividends or for equalising 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 preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend 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 reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets 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 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 at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

- (XVII) To appoint managers etc.: To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit.
- (XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.
- (XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.
- (XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board under the Seal of the Company), to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly, or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them.
- (XXI) To negotiate: Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into 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.
- (XXII) To make and vary Regulations: From time to time make, vary or repeal bye- laws for the regulation of the business of the Company, its officers and servants.
- (XXIII) Amendments to Accounts: Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval.
- (XXIV) To formulate schemes, etc.: Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

## 65. COMMITTEES AND DELEGATION BY THE BOARD

- (a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- (b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- (c) The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

## **66. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

- (a) All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.
- (b) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

## **67. PASSING OF RESOLUTION BY CIRCULATION**

- (a) 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 form, 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 provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.
- (b) A resolution mentioned 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.

## **68. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

- (a) The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- (b) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

## **69. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act,

- (a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (c) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **70. SEAL**

- (a) The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.
- (b) Subject to Article 70 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (two) Directors and the Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

## **71. DIVIDEND**

- (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- (b) Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act 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 the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.
- (d) Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
- (e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- (f)
  - (I) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
  - (II) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.
  - (III) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

- (g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- (h) Any one of several Persons who are registered as the joint -holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- (i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- (j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- (k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint -holders of any Share(s) any one of them can give effectual receipts for any money (ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands, shall for the purposes of this Article be deemed to be joint-holders thereof.
- (l) No unpaid Dividend shall bear interest as against the Company.
- (m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls.
- (n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

## **72. UNPAID OR UNCLAIMED DIVIDEND**

- (a) Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.
- (b) Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
- (c) Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

## **73. ACCOUNTS AND BOARD'S REPORT**

- (a) The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.
- (b) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the

Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report and by the company secretary in practice in his secretarial audit report.

- (c) The Company shall comply with the requirements of Section 136 of the Act.

#### **74. DOCUMENTS AND NOTICES**

- (a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either through electronic mode or personally or by sending it by post or by registered post or by courier, to him to his registered address.
- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- (c) A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.
- (d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- (f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- (g) Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

#### **75. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

#### **76. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

#### **77. WINDING UP**

- (a) If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

- (b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.
- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **78. INDEMNITY**

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.

## **79. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS**

Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.

## **80. SIGNING OF CHEQUES**

Subject to applicable Law and Section 64 of the Negotiable Instruments Act, 1881, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine.

## **81. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

## **82. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.

## **83. SECRECY OF WORKS OR INFORMATION**

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

## **84. DUTIES OF THE OFFICER TO OBSERVE SECRECY**

Every Directors, Managing Director(s), manager, Secretary(ies), Auditors, trustee, members of the committees, officers, servant, agents, accountants or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to

do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law a except so far as may be necessary in order to comply with any of the provision of these Articles or Law.

**85. AUTHORIZATIONS**

- a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein).
- b. If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

## **SECTION X – OTHER INFORMATION**

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

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus submitted with RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10:30 a.m. and 5:30 p.m. on all Working Days from Issue Opening Date until the Issue Closing Date.

#### **A. Material Contracts**

1. Issue Agreement dated January 24, 2022 between our Company and the Lead Manager.
2. Addendum to Issue Agreement dated March 24, 2022 between our Company and the Lead Manager
3. Memorandum of Understanding dated January 24, 2022 between our Company and the Registrar to the Issue.
4. Addendum to Memorandum of Understanding dated March 24, 2022 between our Company and the Registrar to the Issue.
5. Escrow Agreement dated March 02, 2022 between our Company, the Lead Manager, Escrow Collection Bank(s) and the Registrar to the Issue.
6. Addendum to Escrow Agreement dated March 24, 2022 between our Company, the Lead Manager, Escrow Collection Bank(s) and the Registrar to the Issue.
7. Market Making Agreement dated March 02, 2022 between our Company, the Lead Manager and Market Maker.
8. Addendum to Market Making Agreement dated March 24, 2022 between our Company, the Lead Manager and Market Maker.
9. Underwriting Agreement dated March 02, 2022 between our Company, the Lead Manager and Market Maker.
10. Addendum to Underwriting Agreement dated March 24, 2022 between our Company, the Lead Manager and Market Maker.
11. Tripartite agreement between the NSDL, our Company and the Registrar dated December 29, 2021.
12. Tripartite agreement between the CDSL, our Company and the Registrar dated December 17, 2021.

#### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Dhyani Tile and Marblez Limited.
3. Resolution of the Board of Directors meeting dated November 15, 2021 authorizing the issue.
4. Shareholders' resolution passed at the EGM held with shorter notice on January 17, 2022 authorizing the issue.
5. Auditor's report for Restated Financials dated January 23, 2022 included in this Prospectus.
6. The Statement of Tax Benefits dated January 22, 2022 from our Statutory Auditors.
7. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead Manager, Banker to the issue, Banker to the Company, Legal Advisor to the Issue, Registrar to the Issue, Market Maker and Underwriters as referred to in their specific capacities.
8. Approval from BSE vide letter dated March 17, 2022 to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of BSE Limited.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, the under signed, 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 regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, SCRA, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be.

We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of our Company.

| Name and Designation                                                                      | Signature |
|-------------------------------------------------------------------------------------------|-----------|
| <b>Mr. Chintan Nayan Bhai Rajyaguru</b><br><i>Managing Director</i><br>DIN: 08091654      | sd/-      |
| <b>Mr. Nayankumar Labhshankar Rajyaguru</b><br><i>Executive Director</i><br>DIN: 08997548 | sd/-      |
| <b>Mrs. Ilaben Nayanbhai Rajyaguru</b><br><i>Non-Executive Director</i><br>DIN: 08091655  | sd/-      |
| <b>Mr. Paras Jivarajbhai Viramgama</b><br><i>Independent Director</i><br>DIN: 08637846    | sd/-      |
| <b>Mr. Vishal Kantibhai Sondagar</b><br><i>Independent Director</i><br>DIN: 09354153      | sd/-      |

Signed by Chief Financial Officer of the Company.

sd/-

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**Ms. Alpa Thummar**  
Chief Financial Officer

**Place:** Ahmedabad

**Date:** March 24, 2022