



Red Herring Prospectus

Dated: January 17, 2024

100% Book Built Issue

Please read Section 26 and 32 of the Companies Act, 2013  
(This Red Herring Prospectus will be updated upon filing with ROC)

# FONEBOX RETAIL LIMITED

Corporate Identity Numbers: U51909GJ2021PLC119941

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad- 380061, Gujarat, India.		Not Applicable	Mrs. Charmi Vansh Shah	Tel No: 079 46025304 Email Id: <a href="mailto:cs@fonebox.in">cs@fonebox.in</a>	<a href="http://www.fonebook.in">www.fonebook.in</a>
PROMOTERS OF OUR COMPANY: MR. MANISHBHAI GIRISHBHAI PATEL, MR. JIGAR LALLUBHAI DESAI, MR. PARTH LALLUBHAI DESAI, MR. JIGNESHKUMAR DASHRATHLAL PAREKH AND MR. AMITKUMAR GOPALBHAI PATEL					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY	
Fresh Issue	2910000 Equity Shares aggregating to ₹ [●]/- Lakhs	Nil	2910000 Equity Shares aggregating to ₹ [●]/- Lakhs	THE ISSUE IS BEING MADE PURSUANT TO REGULATION 229(2) OF SEBI ICDR REGULATIONS, 2018. AS THE COMPANY'S POST ISSUE FACE VALUE CAPITAL EXCEEDS RS.1000 LAKHS BUT DOES NOT EXCEED RS. 2500 LAKHS	
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISK IN RELATION TO THE FIRST ISSUE					
The face value of the Equity Shares is ₹ 10/- each. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "Basis for Issue Price" on page 99 or in case where, Price Band is not disclosed otherwise, will be advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily Gujarati regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date, 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					
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this 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 the contents of this Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page 27 of this Red Herring Prospectus.					
ISSUER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.					
LISTING					
The Equity Shares issued through Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").					
BOOK RUNNING LEAD MANAGER TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
		Mr. Nikhil Shah		Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Tel. No: 079 4918 5784	
BEELINE CAPITAL ADVISORS PRIVATE LIMITED					
REGISTRAR TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
		Mr. M Murali Krishna		Email: <a href="mailto:foneboxretail.ipo@kfintech.com">foneboxretail.ipo@kfintech.com</a> Tel. No: +91 40 6716 2222	
KFIN TECHNOLOGIES LIMITED					
BID/ISSUE PERIOD					
BID/ISSUE FOR ANCHOR INVESTORS: TUESDAY, JANUARY 23, 2024					
BID/ISSUE OPENS ON: WEDNESDAY, JANUARY 24, 2024			BID/ISSUE CLOSES ON: MONDAY, JANUARY 29, 2024		



# FONEBOX RETAIL LIMITED

Corporate Identification Number: U51909GJ2021PLC119941

Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page 159 of this Red Herring Prospectus.

Registered Office: 702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad- 380061, Gujarat, India.

Website: [www.fonebook.in](http://www.fonebook.in); E-Mail: [cs@fonebox.in](mailto:cs@fonebox.in); Telephone No: 079 46025304; Company Secretary and Compliance Officer: Mrs. Charmi Vansh Shah

PROMOTERS OF OUR COMPANY: MR. MANISHBHAI GIRISHBHAI PATEL, MR. JIGAR LALLUBHAI DESAI, MR. PARTH LALLUBHAI DESAI, MR. JIGNESHKUMAR DASHRATHLAL PAREKH AND MR. AMITKUMAR GOPALBHAI PATEL	
<b>THE ISSUE</b>	
<p>INITIAL PUBLIC ISSUE OF 2910000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF FONEBOX RETAIL LIMITED (“FONEBOOK”, “FONEBOX”, “FRL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹  ● /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹  ● /- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹  ● /- LAKHS (“THE ISSUE”), OF WHICH 1460000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹  ● /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹  ● /- PER EQUITY SHARE AGGREGATING TO ₹  ● /- LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.e., NET ISSUE OF 2764000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹  ● /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹  ● /- PER EQUITY SHARE AGGREGATING TO ₹  ● /- LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.36 % AND 26.94 %, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.</p> <p>THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH DAILY NEWSPAPER, FINANCIAL EXPRESS, ALL EDITION OF HINDI NATIONAL DAILY NEWSPAPER, JANSATTA, AND AHMEDABAD EDITION OF GUJARATI DAILY NEWSPAPER, FINANCIAL EXPRESS (GUJARATI BEING REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED). AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NSE LIMITED (“NSE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.</p> <p>FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 258 OF THIS RED HERRING PROSPECTUS.</p>	
<p>In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid /Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.</p>	
<p>This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see “Issue Procedure” on page 268.</p>	
<p>All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 268 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.</p>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
<p>This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each. The Floor Price, the Cap Price and the Issue Price should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 27 of this Red Herring Prospectus.</p>	
<b>COMPANY’S ABSOLUTE RESPONSIBILITY</b>	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<b>LISTING</b>	
<p>The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated January 11, 2024 from National Stock Exchange of India Limited (“NSE”) for using its name in Issue document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”). For this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited (“NSE”).</p>	
<b>BOOK RUNNING LEAD MANAGER</b>	<b>REGISTRAR TO THE ISSUE</b>
<p><b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>  <b>SEBI Registration Number:</b> INM000012917  <b>Address:</b> B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India.  <b>Telephone Number:</b> 079 4918 5784  <b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a>  <b>Investors Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a>  <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a>  <b>Contact Person:</b> Mr. Nikhil Shah  <b>CIN:</b> U67190GJ2020PTC114322</p>	<p><b>KFIN TECHNOLOGIES LIMITED</b>  <b>SEBI Registration Number:</b> INR000000221  <b>Address:</b> Selenium Tower-B, Plot 31 &amp; 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India.  <b>Tel. Number:</b> +91 40 6716 2222; <b>Toll Free No:</b> 1800 309 4001  <b>Email Id:</b> <a href="mailto:foneboxretail.ipo@kfintech.com">foneboxretail.ipo@kfintech.com</a>  <b>Investors Grievance Id:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>  <b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a>  <b>Contact Person:</b> Mr. M Murali Krishna  <b>CIN:</b> L72400TG2017PLC117649</p>
<b>BID/ISSUE PERIOD</b>	
<b>BID/ISSUE FOR ANCHOR INVESTORS: TUESDAY, JANUARY 23, 2024</b>	
<b>BID/ISSUE OPENS ON: WEDNESDAY, JANUARY 24, 2024</b>	<b>BID/ISSUE OPENS ON: MONDAY, JANUARY 29, 2024</b>

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## SECTION I – DEFINITIONS AND ABBREVIATIONS

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.*

### GENERAL AND COMPANY RELATED TERMS

Term	Description
“Fonebox Retail Limited”, “FRL”, “Fonebook”, “Fonebox”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Fonebox Retail Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at 702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad-380061 Gujarat, India.
Our Promoters	Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh And Mr. Amitkumar Gopalbhai Patel.
Promoter’s Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.

### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 174 of this Red Herring Prospectus.
Auditor of our Company / Joint Statutory Auditor	The Statutory Auditors of our Company, being M/s. R K Kotadiya & Co. LLP Chartered Accountants as mentioned in the section titled “General Information” beginning on page 174 of this Red Herring Prospectus.
Bankers to the Company	HDFC Bank Limited
Board of Directors / Board/BOD	The Board of Directors of Fonebox Retail Limited unless otherwise specified.
CED	Chairman and Executive Director, being Mr. Manishbhai Girishbhai Patel
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mr. Parth Lallubhai Desai.
CIN	Corporate Identification Number of our Company i.e., U51909GJ2021PTC119941.
Companies Act	The Companies Act, 2013 as amended from time to time.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Mrs. Charmi Vansh Shah
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
ED	Executive Director
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Information as covered under the applicable accounting standards, and as disclosed in “Information with respect to Group Companies” on page 239 of this Red Herring Prospectus.

Term	Description
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0Q4701019
Key Managerial Personnel / Key Managerial Employees	Key Managerial Personnel as defined under Section 203 of the Companies Act, 2013 and as described in the section titled “ <i>Our Management</i> ” on page 174 of this Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 05, 2023 in accordance with the requirements of the SEBI ICDR Regulations.
MD	Managing Director being, Mr. Amitkumar Gopalbhai Patel
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Section 178 Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 174 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
Non-Residents	A person resident outside India, as defined under FEMA
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Peer Reviewed Auditor	The Peer Review Auditors of our Company, being M/s. S V J K and Associates Chartered Accountants, holding a valid peer review certificate, as mentioned in the section titled “ <i>General Information</i> ” beginning on page 49 of this Red Herring Prospectus.
Registered Office	702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad-380061, Gujarat, India
Restated Financial Information	Restated Financial Statement along with Report from the peer review certified auditor – M/s. S V J K and Associates, Chartered Accountants, Ahmedabad for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022, 2021 dated January 16, 2024 included in the Red Herring Prospectus.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178(5) of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 174 of this Red Herring Prospectus.
WTD	Whole-Time Director as defined under Section 2(94) of the Companies Act, 2013.

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of an Offer Document as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200/- lakhs.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company

Terms	Description
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Bankers to the Issue and Refund Banker	Axis Bank Limited
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled ‘Basis of allotment’ under chapter titled “Issue Procedure” starting from page 268 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders. Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the Anchor Allocation from QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days</p>
Bid/Issue Closing Date	The date after which the Designated Intermediaries will not accept any Bids, being Monday, January 29, 2024, which shall be published in All Editions of English Daily Newspaper, Financial Express, All Edition of Hindi National Daily Newspaper, Jansatta, and Ahmedabad Edition of Gujarati Daily Newspaper, Financial Express (Gujarati Being Regional Language of Gujarat Where our Registered Office is located). Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being Wednesday, January 24, 2024, which shall be published in All Editions of English Daily Newspaper, Financial Express, All Edition of Hindi National Daily Newspaper, Jansatta, and Ahmedabad Edition of Gujarati Daily Newspaper, Financial Express (Gujarati Being Regional Language of Gujarat Where our Registered Office is located).

Terms	Description
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a>

Terms	Description
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE)
Draft Red Herring Prospectus	Draft Red Herring prospectus dated September 30, 2023 issued in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Engagement Letter	The Engagement letter dated January 10, 2023 executed between Issuer and BRLM.
Escrow Account	Accounts opened with the Banker to the Issue
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, 2018.
Fresh Issue	The Fresh Issue of 2910000 Equity Shares aggregating up to ₹ [●]/- Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue document	Includes Red Herring Prospectus and Prospectus filed with Registrar of Companies.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●]/- (including share premium of ₹ [●]/- per Equity Share).



Terms	Description
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 90 of this Red Herring Prospectus
Issue/ Issue Size/ Initial Public Issue/ Initial Public Issue/ Initial Public Offering/ IPO	The initial public offering of 2910000 Equity Shares for cash at a price of ₹ [●]/- each, aggregating up to ₹ [●]/- Lakhs comprising the Fresh Issue.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE Limited.
Market Maker	The Market Maker to the Issue, in this case being M/s. Spread X Securities Private Limited.
Market Maker Reservation Portion	The reserved portion of 146000 Equity Shares of ₹ 10/- each at an Issue price of ₹ [●]/- each aggregating to ₹ [●]/- Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated January 12, 2024 between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 2764000 Equity Shares of Face Value of ₹ 10/- each fully paid for cash at a price of ₹ [●]/- Equity Share aggregating ₹ [●]/- Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer Document	Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●]/- and the maximum price (Cap Price) of ₹ [●]/-. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations, 2018 containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus / RHP	This red herring prospectus dated January 17, 2024, issued by our Company in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto

Terms	Description
	This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=30">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=30</a>
Registrar / Registrar to the Issue	Registrar to the Issue being KFin Technologies Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Retail Individual Investors /(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹. 2,00,000/-.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated January 12, 2024.
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.

Terms	Description
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the investor by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by an Investor to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business :-  1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business. 2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
ATSC	Advanced Television System Committee
BTS	Base Transceiver Stations
BWA	Broadband Wireless Access
CAD	Current Account Deficit
COCO	Company Owned Company Operated
CTDP	Comprehensive Telecom Development Plan
CTDP	Comprehensive Telecom Development Plan
ECGLS	Emergency Credit Linked Guarantee Scheme
EMBI	Emerging Markets Bond Index
EMDEs	Emerging Market and Developing Economies
FCS	Fragile and Conflict affected Situations
FDI	Foreign Direct Investment
FOCO	Franchise Owned Company Operated
FTTH	Fibre to the Home
GB	Giga Byte
GDP	Gross Domestic Production
GST	Goods and Services tax

Term	Description
ICRIER	International Economic Relations
IMF	International Monetary Fund
IoT	Internet of Things
IP	Internet Protocol
KB	Kilo Byte
LED	Light Emitting Diode
LICs	Low-income countries
LTE	Long Term Evolution
MB	Mega Byte
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MNRE	Ministry of New and Renewable Energy
MOU	Minutes of Use per month and subscriber
MSMEs	Medium Small and Micro Enterprises
NB-IoT	Narrowband- Internet of Things
NER	North Eastern Region
NFHS	National Family Health Survey
NSO	National Statistical Office
PB	Peta Byte
PDO	Public Data Office
PDOAs	Public Wi-fi Network by Public Data Office
PM- WANI	Prime Minister Wi-fi Access Network Interface
PPP	Purchasing Power Parity
TA	Trade Advance
TB	Tera Byte
TMT	Technology, Media and Telecom
TRAI	Telecom Regulatory Authority of India
TSDSI	Telecommunication Standards Development Society, India
TTDF	Telecom Technology Development Fund
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UPI	Unified Payment Interface
USOF	Universal Service Obligation Fund
WiMAX	Worldwide Interoperability for Microwave Access
WTO	World Trade Organization

#### CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CFSS	Companies Fresh Start Scheme under Companies Act, 2013

Term	Description
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director identification number
DP ID	Depository Participant's Identification
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EMDE	Emerging Market and Developing Economy
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and any other regulations as may be prescribed specifically.
FI	Financial Institutions
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
Indian GAAP	Generally Accepted Accounting Principles in India
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
ITAT	Income Tax Appellate Tribunal
LIC	Low-Income Country
Ltd.	Limited
MCA	Ministry of Corporate Affairs
Pvt. Ltd.	Private Limited

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references in the Red Herring Prospectus to “India” are to the Republic of India. All references in the Red Herring Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

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

### Use of Financial Data

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and in Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our financial statements prepared and Restated Financial Statement for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022, 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Restated Financial Information of our Company*” beginning on page 198 of this Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Restated Financial Information prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “*Restated Financial Information of our Company*” beginning on page 198 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 2 of this Red Herring Prospectus. In the section titled “*Description of Equity Shares and Terms of the Articles of Association*”, on page 296 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

### Use of Industry & Market Data

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

Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering

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methodologies in the industry in which we conduct our business, methodologies, and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “*Basis for Issue Price*” on page 99 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## FORWARD – LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
2. Destruction in our service process.
3. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
4. Failure to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
5. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
6. Ability to respond to technological changes;
7. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
8. Inability to successfully obtain registrations in a timely manner or at all;
9. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
10. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
11. Recession in the market;
12. Changes in laws and regulations relating to the industries in which we operate;
13. Effect of lack of infrastructure facilities on our business;
14. Our ability to successfully implement our growth strategy and expansion plans;
15. Our ability to meet our capital expenditure requirements;
16. Our ability to attract, retain and manage qualified personnel;
17. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
18. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
19. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
20. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
21. Conflicts of interest with affiliated companies, the promoter group and other related parties;
22. The performance of the financial markets in India and globally;
23. Any adverse outcome in the legal proceedings in which we are involved;
24. Our ability to expand our geographical area of operation;
25. Concentration of ownership among our Promoters.



For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Business Overview*” & and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 27, 127 and 200 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II – SUMMARY OF RED HERRING PROSPECTUS



Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941.

Promoters of our company are Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh and Mr. Amitkumar Gopalbhai Patel. While Mr. Manishbhai Girishbhai Patel and Mr. Amitkumar Gopalbhai Patel were associated with the company since its incorporation. Mr. Jigneshkumar Dashrathlal Parekh, Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai joined our company by acquisition of equity shares in 2021. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from mobile handsets, mobile accessories and other consumer durable home appliances such as Smart TVs, Laptop, Air condition etc. Our promoters have combined experience of more than 30 years in the retail distribution, sales and marketing industry, which is the driving force behind the growth achieved by the company.

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

We operate our retail business with multiple brands. We have a portfolio of retail stores with different brands. We initially started our business operations with brand “*Fonebox*”, for our company owned stores as well as franchise stores. Further, we acquired famous mobilephone retail store brands such as “*Fonebook*” and “*My Mobile*” vide Business Purchase agreements from their respective owners in the year 2021.

Over the years, we have grown our business by focusing on our brands as well as acquiring existing business of other retail brands. In February 2021, we started our business operations with 2 stores with name “Fonebox” in FY 2021 achieving a turnover of around 9.92 lakhs in one month of operation. Besides growing our owned brand “Fonebox”, we focused on inorganic growth by acquiring brands and business of existing stores in FY 2022. We acquired 49 stores under different brand names namely “Fonebook” and “My Mobile” in FY 2022. After acquisition of the brand “Fonebook” we started 11 new stores under the same brand name. As on January 05, 2024 we operate a total of 143 stores. Brand and store acquisition has aided our growth inorganically, along side we have developed our business by improving business of the existing stores and opening new stores simultaneously. For more detail of said transaction, please refer to heading titled “Major events” in the chapter titled “*History and Corporate Matters*” beginning on page 161 of this Red Herring Prospectus.

We mainly operate under the brand name of  and . As on January 05, 2024 we operate from total 143 stores across the state of Gujarat. Out of 143 stores 39 stores are Company Owned and Company Operated retail outlets (“COCO Model”) and 104 stores are under Franchise Owned and Company Operated retail model (“FOCO Model”) distributed in more than 20 cities in Gujarat.

Our Company provides credit/EMI facilities to customers for buying our products for which our company has tied up with major leading credit houses like Bajaj Finance, HDB Financial Service, HDFC Bank and IDFC First Bank. Our Company in order to continue relationship with our valuable customers, we also provide after sale services related to mobile handsets and tablets in our own retail and franchisee outlets.

### SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

#### GLOBAL OUTLOOK

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies. Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity. This drag is set to deepen given the lags between changes in monetary policy and its economic impacts, and the fact that real rates are expected to continue to increase.

Asset prices have been in broad, synchronous decline, investment growth has weakened substantially, and housing markets in many countries are worsening rapidly. Shockwaves continue to emanate from the Russian Federation’s invasion of

Ukraine, especially in energy and other commodity markets. Against this backdrop, confidence has fallen precipitously. The world's three major engines of growth—the United States, the euro area, and China—are undergoing a period of pronounced weakness, with adverse spillovers for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions.

Global inflation has been pushed higher by demand pressures, including those from the lagged effects of earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. In some countries, inflation has also been spurred by large currency depreciations relative to the U.S. dollar, as well as tight labor market conditions.

Inflation remains high worldwide and well above central bank targets in almost all inflation targeting economies. Although inflation is likely to gradually moderate over the course of the year, there are signs that underlying inflation pressures could be becoming more persistent. In response, central banks around the world have been tightening policy faster than previously expected. Monetary policy tightening in advanced economies, a strong U.S. dollar, geopolitical tensions, and high inflation have dampened risk appetite and led to widespread capital outflows and slowing bond issuance across EMDEs. Financial conditions have particularly worsened for less creditworthy EMDEs, especially if they are also energy importers.

## INDIAN ECONOMY

### Introduction

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP). The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

### Macroeconomic and Growth Challenges in the Indian Economy

The impact of the pandemic on India was seen in a significant GDP contraction in FY21. The following year, FY22, the Indian economy started to recover despite the Omicron wave of January 2022. This third wave did not affect economic activity in India as much as the previous waves of the pandemic did since its outbreak in January 2020. Mobility enabled by localised lockdowns, rapid vaccination coverage, mild symptoms and quick recovery from the virus contributed to minimising the loss of economic output in the January-March quarter of 2022. Consequently, output in FY22 went past its pre-pandemic level in FY20, with the Indian economy staging a full recovery ahead of many nations. The experience with the Omicron variant engendered a cautious optimism that it was possible to stay physically mobile and engage in economic activities despite the pandemic. FY23 thus opened with a firm belief that the pandemic was rapidly on the wane and that India was poised to grow at a fast pace and quickly ascend to the pre-pandemic growth path.

With monetary tightening, the US dollar has appreciated against several currencies, including the rupee. However, the rupee has been one of the better-performing currencies worldwide, but the modest depreciation it underwent may have added to the domestic inflationary pressures besides widening the CAD. Global commodity prices may have eased but are still higher compared to pre-conflict levels. They have further widened the CAD, already enlarged by India's growth momentum. For FY23, India has sufficient forex reserves to finance the CAD and intervene in the forex market to manage volatility in the Indian rupee.

## TELECOMMUNICATION SECTOR IN INDIA

### 1. INCREASING MOBILE SUBSCRIBERS

- India is the second-largest smartphone market in the world. India’s mobile subscriber base is expected to reach 1,420 million by 2024 from 1,200 million in 2018.
- By 2022, the 4G user base is expected to reach 820 million.

## 2. UNTAPPED RURAL MARKETS

- Tele-density of rural subscribers reached 57.46% in March 2022.

## 3. RISING INTERNET PENETRATION

- Internet penetration is expected to grow steadily and is likely to be bolstered by Government policy.
- Number of broadband subscribers reached 846.57 million in March 2023.
- To encourage cash economy, Indian Government announced to provide free Wi-Fi to more than 1,000 gram panchayats.

## 4. DEVELOPMENT OF TELECOM INFRASTRUCTURE

- TRAI has made several recommendations for the development of telecom infrastructure, including tax benefits and recognising telecom infrastructure as essential infrastructure.

## 5. GROWTH IN MVAS

- Indian Mobile Value-Added Services (MVAS) industry is expected to grow at a CAGR of 18.3% during the forecast period of 2015-2020 and reach US\$ 23.8 billion by the end of 2020

## 6. TELECOM ADVERTISING MARKET

- According to a Zenith Media survey, India is expected to become the fastest growing telecom advertisement market, with an annual growth rate of 11% between 2020 and 2023

## 7. TELECOM ADVERTISING MARKET

- In order to overcome the cash related problems being faced by people, due to demonetisation, Paytm launched a service through which consumers and merchants can pay and receive money instantly, without an internet connection.
- Payments on unified payments interface (UPI) hit an all-time high of 97.88 million (by volume), with transactions worth ~₹12.98 trillion (US\$ 157.85 billion) in January 2023

## NAME OF PROMOTERS

Promoters of Our Company are Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh and Mr. Amitkumar Gopalbhai Patel. For detailed information on our Promoters and Promoter’s Group, please refer to Chapter titled “*Our Promoters and Promoter’s Group*” on page 190 of this Red Herring Prospectus.

## SIZE OF THE ISSUE

Our Company is proposing the public issue of 2910000 equity shares of face value of ₹ 10/- each of Fonebox Retail Limited (“Fonebook”, “Fonebox”, “FRL” or the “Company” or the “Issuer”) for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●]/- lakhs (“the issue”), of which 146000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●]/- lakhs will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). The issue less the market maker reservation portion i.e., Net issue of 2764000 equity shares of face value of ₹ 10/- each at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●]/- lakhs is herein after referred to as the “net issue”. The issue and the net issue will constitute 28.36 % and 26.94 %, respectively, of the post issue paid up equity share capital of our company. The face value of the equity shares is ₹ 10/- each. The price band will be decided by our company in consultation with the book running lead manager (“BRLM”) and will be advertised in all editions of the English national newspaper, all editions of the Hindi national newspaper and regional language newspaper, each with wide circulation, at least 2 (two) working days prior to the bid/issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the NSE Emerge for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the Issue*” beginning on page 258 of this Red Herring Prospectus.

## OBJECT OF THE ISSUE

(Amount in ₹ Lakhs)

Particulars	Amount
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses	[●]
<b>Net Issue Proceeds</b>	[●]

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

#### UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

(Amount in ₹ Lakhs)

Sr. No.	Particulars	Amount	% of Gross Issue Proceeds
1.	To Meet Working Capital Requirements	1,350.00	[●]
2.	General corporate purposes	[●]	[●]
	<b>Net Issue Proceeds</b>	[●]	[●]

#### MEANS OF FINANCE

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

(Amount in ₹ Lakhs)

Sr. No	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/ Reserves/ Security Deposits	Balance from Long/Short Term Borrowing/ Unsecured Borrowings
1.	To Meet Working Capital Requirements	4,849.94	1,350.00	2,829.94	670.00
2.	General corporate purposes	[●]	[●]	0.00	0.00
3.	Public Issue Expenses	[●]	[●]	0.00	0.00
	<b>Total</b>	[●]	[●]	<b>2,829.94</b>	<b>670.00</b>

#### SHAREHOLDING

The shareholding pattern of our Promoters and Promoter's Group before the Issue is as under:

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital*
<b>Promoters</b>					
1.	Mr. Manishbhai Girishbhai Patel	1837500	25.00%	1837500	17.91%
2.	Mr. Jigar Lallubhai Desai	1212750	16.50%	1212750	11.82%
3.	Mr. Parth Lallubhai Desai	1212750	16.50%	1212750	11.82%
4.	Mr. Jigneshkumar Dashrathlal Parekh	294000	4.00%	294000	2.87%
5.	Mr. Amitkumar Gopalbhai Patel	275625	3.75%	275625	2.69%
	<b>Total - A</b>	<b>4832625</b>	<b>65.75%</b>	<b>48,32,625</b>	<b>47.10%</b>
<b>Promoter's Group</b>					
1.	Mr. Vijay Lalsingh Yadav	367500	5.00%	367500	3.58%
2.	Mr. Chandresh Dashrathbharthi Swami	321566	4.38%	321566	3.13%
3.	Mr. Krunal Bhagvanbhai Patel	321559	4.37%	321559	3.13%
4.	Mr. Arvindkumar Ranchhodbhai Patel	294000	4.00%	294000	2.87%
5.	Ms. Arti Sanjeev Kumar	183750	2.50%	183750	1.79%
6.	Mr. Somesh Chandreshkumar Patani	183750	2.50%	183750	1.79%
7.	Mr. Pranav Rajanikant Patel	183750	2.50%	183750	1.79%
8.	Mr. Rajnikant Jayntilal Barot	183750	2.50%	183750	1.79%
9.	Mr. Harshkumar Bhupendrabhai Kotak	183750	2.50%	183750	1.79%

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital*
10.	Mr. Dhruvil Dineshbhai Patel	147000	2.00%	147000	1.43%
11.	Mr. Dhaval Dineshkumar Patel	147000	2.00%	147000	1.43%
<b>Total - B</b>		<b>2517375</b>	<b>34.25%</b>	<b>2517375</b>	<b>24.54%</b>
<b>Total Promoters &amp; Promoter Group Shareholding</b>		<b>7350000</b>	<b>100.00%</b>	<b>7350000</b>	<b>71.64%</b>
<b>Public</b>					
1.	Public in IPO	-	-	2910000	28.36%
<b>Total - C</b>		<b>-</b>	<b>-</b>	<b>2910000</b>	<b>28.36%</b>
<b>Total (A+B+C)</b>		<b>7350000</b>	<b>100.00%</b>	<b>10260000</b>	<b>100.00%</b>

\*Rounded off

## FINANCIAL DETAILS

Based on Restated Financial Statements

(Amount in ₹ Lakhs)

Sr. No.	Particulars	For the period/year ended			
		September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	735.00	50.00	50.00	15.00
2.	Net worth	190.48	210.26	60.23	12.38
3.	Revenue from operations	13,975.84	19,582.60	9,090.74	9.92
4.	Profit After Tax	155.19	159.86	12.79	(2.36)
5.	Earnings Per Share – Basic & Diluted (Post Bonus)	2.13	2.35	0.19	(0.04)
6.	NAV per Equity Shares (Post Bonus)	12.47	42.05	12.05	8.25
7.	Total Borrowings (As per Balance Sheet) (Including Current Maturity of Long-Term Debt)	506.57	1,058.22	584.26	-

## AUDITORS' QUALIFICATIONS

There is no Auditor qualification which have not been given effect to in the Restated Financial Statements.

## OUTSTANDING LITIGATIONS

There are no pending Litigation against our Company nor against our Promoters or Directors of the company except mentioned below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
<b>Company</b>						
By the Company	NA	NA	NA	NA	NA	NA
Against the Company	NA	1	NA	NA	NA	0.31
<b>Directors</b>						
By our directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
<b>Promoters*</b>						

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	6^	NA	NA	NA	1.98^
<b>Subsidiaries</b>						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	3	NA	NA	1#	2.86

\*Our promoter is also our Director. Hence litigation against him has not been included under the heading directors to avoid repetition.

^includes 1 matter against a partnership firm of promoters, considering the partners of a firm have unlimited liability.

# amount is unascertained.

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 27 of this Red Herring Prospectus.

## CONTINGENT LIABILITIES

### Based on Restated Financial Statements

(Amount in ₹ Lakhs)

Particulars	For the period/year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Bank Guarantees	-	-	-	-
Amount of Capital Commitments	-	-	-	-
<b>Total</b>	-	-	-	-

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group or our Directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company (other than in the normal course of business of the financing entity) during the period of six months immediately preceding the date of this Red Herring Prospectus.

## COST OF ACQUISITION & WEIGHTED AVERAGE COST

**Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:**

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Mr. Manishbhai Girishbhai Patel	10530000	6.43
2.	Mr. Jigar Lallubhai Desai	9375000	8.24
3.	Mr. Parth Lallubhai Desai	9375000	8.24
4.	Mr. Amitkumar Gopalbhai Patel	2325000	8.84
5.	Mr. Jigneshkumar Dashrathlal Parekh	2515000	8.93

#### AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Mr. Manishbhai Girishbhai Patel	1837500	6.82
2.	Mr. Jigar Lallubhai Desai	1212750	8.35
3.	Mr. Parth Lallubhai Desai	1212750	8.35
4.	Mr. Jigneshkumar Dashrathlal Parekh	294000	8.98
5.	Mr. Amitkumar Gopalbhai Patel	275625	8.89

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

#Based on Certificate dated September 20, 2023 from Peer Reviewed Auditors of the company M/s. S V J K & Associates vide UDIN: 23193591BGUVMW4967.

#### PRE-IPO PLACEMENT

Our Company has not allotted shares under Pre-IPO Placement.

#### ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

The details of allotment of 6300000 Bonus Equity Shares made on September 04, 2023 in ratio of 6:1 i.e., 6 (Six Only) fully paid-up Equity Shares for every 1 (One Only) Equity Shares held on September 01, 2023, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Manishbhai Girishbhai Patel	1575000	10	Nil
2.	Mr. Jigar Lallubhai Desai	1039500		
3.	Mr. Parth Lallubhai Desai	1039500		
4.	Mr. Vijay Lalsingh Yadav	315000		
5.	Mr. Chandresh Dashrathbharthi Swami	275628		
6.	Mr. Krunal Bhagvanbhai Patel	275622		
7.	Mr. Jigneshkumar Dashrathlal Parekh	252000		
8.	Mr. Arvindkumar Ranchhodbhai Patel	252000		
9.	Mr. Amitkumar Gopalbhai Patel	236250		
10.	Ms. Arti Sanjeev Kumar	157500		
11.	Mr. Somesh Chandreshkumar Patani	157500		
12.	Mr. Pranav Rajanikant Patel	157500		
13.	Mr. Rajnikant Jayntilal Barot	157500		
14.	Mr. Harshkumar Bhupendrabhai Kotak	157500		
15.	Mr. Dhruvil Dineshbhai Patel	126000		
16.	Mr. Dhaval Dineshkumar Patel	126000		
<b>Total</b>		<b>6300000</b>	<b>10</b>	<b>Nil</b>

For further information, please refer to Chapter titled “Capital Structure” on page 49 of this Red Herring Prospectus.



## SPLIT / CONSOLIDATION

No Split or Consolidation was happened during the last one year.

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI SHALL BE DISCLOSED

No exemptions from complying with any provision of securities laws has been granted by SEBI as on date of this Red Herring Prospectus.

## RELATED PARTY TRANSACTIONS

### Related Parties

Sr. No	Name of the Related Party	Relationship
1.	M/s. Phonewale	Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence
2.	M/s. Paradise Markcom Private Limited	
3.	M/s. Phonewale Limited	
4.	M/s. Kriva Mobitech Private Limited	
5.	Mr. Manishbhai Girishbhai Patel	Key Managerial Personnel
6.	Mr. Amitkumar Gopalbhai Patel	Key Managerial Personnel
7.	Mrs. Charmi Vansh Shah	Key Managerial Personnel
8.	Mr. Parth Lallubhai Desai	Key Managerial Personnel
9.	Mr. Jigneshkumar Dashrathlall Parekh	Key Managerial Personnel
10.	Mr. Jigar Lallubhai Desai	Key Managerial Personnel
11.	Mr. Dashrathbhai Parekh	Relative of KMP
12.	Mrs. Binaben Manishkumar Patel	Relative of KMP
13.	Ms. Arti Sanjeev Kumar	Relative of KMP
14.	Jigneshkumar Dashrathlall Parekh HUF	Relative of KMP
15.	Mrs. Kantaben Ambalal Patel	Relative of KMP
16.	Mr. Pranav Rajnikant Patel	Relative of KMP
17.	Mr. Rajnikant Jayantilal Barot	Relative of KMP
18.	Mrs. Rupalben Jigneshkumar Parekh	Relative of KMP
19.	Mr. Rushi Manishkumar Patel	Relative of KMP
20.	Mrs. Savitaben Dashrathlall Parekh	Relative of KMP
21.	Mr. Somesh Chandreshkumar Patani	Relative of KMP
22.	Mr. Vijay Lalsingh Yadav	Relative of KMP

**Related Party Transaction during the year:**
**(Amount in ₹ Lakhs)**

Transactions during the year:	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>(a) Purchase of Goods</b>				
M/s. Phonewale	-	-	1,282.32	11.01
M/s. Paradise Markcom Private Limited	1,460.88	2,142.79	771.81	-
M/s. Phonewale Limited	2,797.66	4,041.16	390.66	-
M/s. Kriva Mobitech Private Limited	-	21.47	-	-
<b>(b) Sale of Goods</b>				
M/s. Phonewale	-	-	223.95	-
M/s. Paradise Markcom Private Limited	46.83	56.97	34.36	-
M/s. Phonewale Limited	28.91	346.67	316.69	-
M/s. Kriva Mobitech Private Limited	-	0.30	-	-
<b>(c) Interest Paid</b>				
Ms. Arti Sanjeev Kumar	-	-	1.79	-
Mr. Amitkumar Gopalbhai Patel	0.79	-	-	-
Mrs. Binaben Manishkumar Patel	-	6.53	4.03	-
Mr. Dashrathbhai Parekh	-	-	1.19	-
Mr. Jigar Lallubhai Desai	-	10.94	0.92	-
Mr. Jigneshkumar Dashrathlal Parekh	0.98	-	3.67	-
Jigneshkumar Dashrathlal Parekh HUF	-	-	2.63	-
Mrs. Kantaben Ambalal Patel	-	3.30	-	-
Mr. Manishbhai Girishbhai Patel	0.53	7.96	4.81	-
Mr. Parth Lallubhai Desai	0.17	10.63	0.93	-
Mr. Pranav Rajnikant Patel	-	-	0.99	-

Transactions during the year:	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
Mr. Rajnikant Jayantilal Barot	-	-	0.96	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	0.68	-
Mr. Rushi Manishkumar Patel	-	0.38	0.21	-
Mrs. Savitaben Dashrathlal Parekh	-	-	1.05	-
Mr. Somesh Chandreshkumar Patani	-	-	2.15	-
Mr. Vijay Lalsingh Yadav	-	-	8.56	-
<b>(d) Unsecured Loan taken</b>				
Ms. Arti Sanjeev Kumar	-	-	18.00	-
Mr. Amitkumar Gopalbhai Patel	15.25	-	-	-
Mrs. Binaben Manishkumar Patel	-	-	50.75	-
Mr. Dashrathbhai Parekh	-	-	12.50	-
Mr. Jigar Lallubhai Desai	-	30.00	70.00	-
Mr. Jigneshkumar Dashrathlal Parekh	260.00	-	41.25	-
Jigneshkumar Dashrathlal Parekh HUF	-	-	29.50	-
Mrs. Kantaben Ambalal Patel	-	29.00	-	-
Mr. Manishbhai Girishbhai Patel	100.00	150.00	104.50	-
Mr. Parth Lallubhai Desai	19.66	50.00	50.00	-
Mr. Pranav Rajnikant Patel	-	-	10.00	-
Mr. Rajnikant Jayantilal Barot	-	-	10.00	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	6.50	-
Mr. Rushi Manishkumar Patel	-	-	3.00	-
Mrs. Savitaben Dashrathlal Parekh	-	-	12.50	-
Mr. Somesh Chandreshkumar Patani	-	-	20.00	-
Mr. Vijay Lalsingh Yadav	-	-	142.50	-

Transactions during the year:	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>(e) Unsecured Loan Repaid</b>				
Mr. Amitkumar Gopalbhai Patel	7.50	-	-	-
Mrs. Binaben Manishkumar Patel	60.25	-	-	-
Mr. Dashrathbhai Parekh	-	-	10.00	-
Mr. Jigar Lallubhai Desai	110.67	-	-	-
Mr. Jigneshkumar Dashrathlal Parekh	149.49	-	16.25	-
Jigneshkumar Dashrathlal Parekh HUF	-	-	6.25	-
Mrs. Kantaben Ambalal Patel	31.97	-	-	-
Mr. Manishbhai Girishbhai Patel	69.00	150.00	47.00	-
Mr. Parth Lallubhai Desai	110.41	-	-	-
Mr. Pranav Rajnikant Patel	-	-	1.25	-
Mr. Rajnikant Jayantilal Barot	3.53	-	-	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	5.00	-
Mrs. Savitaben Dashrathlal Parekh	-	-	10.00	-
Mr. Somesh Chandreshkumar Patani	-	-	12.50	-
<b>(f) Remuneration of KMP</b>				
Mrs. Charmi Vansh Shah	0.64	-	-	-

### SECTION III - RISK FACTOR

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Red Herring 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 Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 127, 44, 112, 198, 217, and 199 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Red Herring 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 conditions and Red Herring Prospects.

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Red Herring 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 consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Standalone 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. The following factors have been considered for determining the materiality.

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have material impact qualitatively instead of quantitatively.
3. Some risks may not be material at present but may have a material impact in the future.

#### INTERNAL RISK FACTORS:

1. **There are outstanding legal proceedings involving our Company. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities.

We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending proceedings involving the Company is provided below:

#### Litigations against our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In ₹ Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	1	0.31
Other Litigation	--	--

#### Litigations against our Directors and / or Promoters

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	6	1.98

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Other Litigation	--	--

#### Litigations against our Group Companies

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	3	2.86
Other Litigation	1	Unascertained

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

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

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 217 of this Red Herring Prospectus

#### 2. ***Our Registered Office and other premises from where we operate are not owned by us.***

Our Registered Office premise situated at 702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad- 380061, Gujarat, India is not owned by us, it is taken on lease rental basis w.e.f. May 01, 2021 from Ms. Sushma Jitendra Modi, being the owner of the property at a monthly rent of ₹ 38,000/- for period of 5 years. Further our branch offices and storage premises as mentioned under heading titled “*Details of Immovable Properties*” in the chapter titled “*Our Business*” on page no 127 are not owned by us.

We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

#### 3. ***Our Company has taken offices on lease basis and in past some of the lease agreements were not renewed/not executed/inadequately executed, because of which operations may be adversely affected.***

As on January 05, 2024 our Company operates from 143 retail outlets, for sale of electric gadgets and allied accessories. All the retail outlets are taken on lease rental basis. Under the terms of lease agreement, it is required to be renewed at a regular interval, varying from store to store, from the date of execution. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business through franchise, prospects, results of operations and financial condition. In past, lease agreements were not properly stamped/executed. Further, the regulatory authorities may take action against us for not executing the documents properly and not paying the stamp duty as per the Gujarat Stamp Act, 1958.

#### 4. ***At present, our Company has applied for all the relevant registration and out of which shops and establishment registration for the 18 shops are pending for approval. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations and some of the approvals are required to be transferred in the name of ‘Fonebox Retail Limited’.***

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business. Some of

these approvals are granted for a limited duration. While we are required to obtain a number of approvals for legally conducting our business operations and we shall submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations.

At present, our Company has applied for all the relevant registration and out of which shops and establishment registration for the 18 shops are pending for approval. Pursuant to section 28 of Gujarat Shop and Establishment Act, 2019, relevant authorities of State Government could levy penalty of ₹10,000 for each (including Registration fees) for non-registration of shops or establishment aggregating upto ₹ 1,80,000. The revenue contributed by such 18 shops are ₹ 1103.83 Lakhs, ₹ 1162.66 Lakhs, ₹ 116.98 Lakhs and Nil for the period/year ended September 30, 2023, March 31, 2023, 2022 and 2021 respectively. For details relating to Registrations applied for and pending for approval, please refer to chapter titled “Government Approval” on page 225 of Red Herring Prospectus.

Additionally, we have applied for certain approvals and registrations which need to update mere to change the status pursuant to conversion from Private Company to Public Company i.e. Fonebox Retail Private Limited to Fonebox Retail Limited, for details, see “Government Approvals” on page 225 of Red Herring Prospectus.

Further, these permits, licenses and approvals are subject to several conditions and we cannot assure you that we will be able to continuously meet the conditions, which may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals.

**5. *Our Company has entered into Franchisee Agreements, some of the agreements are not renewed/inadequately executed, stamped, because of which operations may be adversely affected.***

As of January 05, 2024 our company has entered into 104 franchise agreements. Said agreements are generally entered with a tenure of 1 year / 3 years / 5 years and are required to be renewed at a regular interval from the date of execution. Majority of franchisee agreements, as on date, are not renewed/inadequately executed/stamped. We are continuing our business with the franchisee on same terms and conditions. However, our company is in process of renewal of the said franchise agreements on same terms and conditions stated in the original agreement executed between our company and franchisee. Any discontinuance of such arrangement may adversely affect our operations, finances and profitability of our Company.

**6. *Our business is a high volume-low margin business.***

Our revenues derived from franchise as well as company operated retail stores. We may need to generate higher volume in terms of quantity to increase our profitability. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability from the said business vertical and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of our business, we may not be able to charge higher margins on our products. Hence, our business is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to procurement of traded goods, timely sales, and continuous cost control of non-core activities. For further details regarding the discussions and explanations for our past results, please refer to the chapter titled “Management’s Discussions and Analysis of Financial Position and Results of Operations” beginning on Page No. 200 of this Red Herring Prospectus.

**7. *Our Restated Financial Statements are prepared and signed by the Peer Review Auditor who is not Statutory Auditors of our Company as required under the provisions of ICDR.***

The Restated Financial Statements of our Company for the period ended September 30, 2023 and for the financial year ended March 31 2023, 2022 and 2021 respectively are prepared and signed by M/s S V J K and Associates, Chartered Accountants, the Peer Review Auditor of our Company who is not statutory auditor of our Company.

**8. *Our Promoters, Directors and Group Company have provided personal / corporate guarantees for financing facilities availed by our Company and may in the future provide additional guarantees and any failure or default by our Company to repay such facilities in accordance with the terms and conditions of the financing agreements could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters and Directors and thereby, adversely impact our business and operations.***

Our Promoters and Directors have personally guaranteed the repayment of certain loan facilities taken by us. Further our group company has given a corporate guarantee towards repayment of certain of the loans availed by us. Our They may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by them may be invoked, which could negatively impact on their reputation and net worth. In addition, our guarantors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company.

Furthermore, in the event that our Promoters and Directors withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

**9. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.**

Our Company has obtained insurance coverage in respect of certain risks. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks. We may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. For details related to insurance please refer to chapter titled as “Business overview” on page 127 of this Red Herring Prospectus.

**10. Our Company had negative cash flow from operating activity in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

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

(₹ in Lakhs)

Particulars	For the period/year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Cashflow from operating Activities	(714.95)	(524.68)	90.66	6.88

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

In the past, our company has at several instances, delayed in filing our TDS and Income Tax returns, GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees long with interest on delayed deposit of due taxes and statutory dues. The details of the same has been mentioned below:

**GST:**

Financial Year	State	Return Type	Establishments with Delayed Filings
2022-23	Gujarat	GSTR-3B	1

**EPF:**

Financial Year	Total Amount of All Establishment Paid	Establishments with Delayed Filings
2023-24	0.03	1
2022-23	0.05	1

Although the late filing fees and interest on late deposits levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no-show cause notice has been issued against our Company till date, in respect of above. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “Outstanding Litigations and Material Developments” beginning on page 217 of this Red Herring Prospectus



**12. Our Company's business highly depends on the brands recognition and reputation of the products it offers to sell and their inability to maintain or enhance brands image that we sell could have a material adverse effect on our business, financial condition and results of operations.**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

Though we are not required to promote the products of these well-known brands, we compete on price, quality services, dedication and commitment towards customers, in our industry. Our financial performance is influenced by the success of above brands, which, in turn, depends on factors such as product design & features, the distinct character and the quality of the products, after sale services, communication activities, public relations and marketing etc. The consumers that use and recommend the branded products have come to expect a high level of quality from these products and on the failure on the part of the brands/companies to deliver on that expectation could adversely impact our business and reputation.

**13. Our Company is dependent on few numbers of suppliers for purchase of products. Loss of any of this large Suppliers may affect our business operations.**

Our Top ten Suppliers contributes to 78.30%, 83.02%, 79.55% and 100.00% of our total Purchases for the period ended September 30, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively. Depending on availability of required goods at favorable terms goods are procured. We cannot assure that we will be able to get the same quantum of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. Our industry operates on established distribution network, we believe that we will not face substantial challenges in maintaining our business relationship with our suppliers.

**14. We have incurred net loss in the past, and we may not be able to achieve or maintain profitability in the future.**

Our Company incurred net loss of ₹2.36 lakhs in the FY 2020-21. For more information see "Management's Discussion and Analysis of Financial Conditions and Results of Operation" on Page 200. of the Red Herring Prospectus. We have earned the Profit of ₹ 155.19 Lakh, ₹ 159.86 lakhs and ₹ 12.79 lakhs in the period ended September 30, 2023, FY 2022-23 and FY 2021-2022, as per the Restated Financial Statements. Our Industry is Capital intensive and require continuous capital infusion. We cannot assure that in future we will generate net profit or positive cash flow from the operation. If we fail to increase profitability or availing financial assistance at competitive rate, our business, operation and cash flow will be affected adversely.

**15. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favorable terms and conditions and better margins.**

In past, Our Company has entered into various transactions with our Directors, Promoter, Promoter Group and group Companies. These transactions, inter-alia includes purchase and sales of products, issue of shares, remuneration, rent payments, loans and advances, etc. Out of the total purchases of ₹ 13,121.47 Lakhs, ₹ 18,907.49 Lakhs, ₹ 9,308.89 Lakhs and ₹ 25.30 Lakhs, purchases from related parties contributed 32.45%, 32.82%, 26.26% and 43.50%, for the period ended on September 30, 2023, for the financial year ending March 31, 2023, 2022 and 2021, respectively. Further, out of the total sale of ₹ 13,975.84 Lakhs, ₹ 19,582.60 Lakhs, ₹ 9,090.74 Lakhs and ₹ 9.92 Lakhs, sale to related parties contributed 0.54%, 2.06%, 6.33%, 0.00%, for the period ended on September 30, 2023, for the financial year ending March 31, 2023, 2022 and 2021, respectively. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. However, we believe that all our related party transactions are at arm's length basis and in compliance with the Companies Act, 2013, rules made thereunder and any other laws applicable, if any. Our company may continue to enter into such transactions in future and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, under the provisions of Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer "Annexure – IX - Related Party Transactions" under the chapter titled "Restated Financial Information" beginning from page 198 of this Red Herring Prospectus.

**16. We may be subject to risks associated with product warranty for the brand products.**

We are subject to risks and costs associated with product warranties on account of supply of defective or inferior quality products within the warranty periods stipulated for such products. Any defects in the products may result in invocation of such warranties. The defects in such products or any product liability claim against us could generate

adverse publicity, leading to a loss of reputation, customers and/or increase our costs, thereby adversely affecting our reputation, business, results of operations, financial condition and cash flows.

**17. Within the parameters as mentioned in the chapter titled “Objects of this Issue” of this Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.**

We intend to use substantial portion of the Net Issue Proceeds towards meeting the working capital requirement. We intend to deploy the Net Issue Proceeds in financial year 2023-24 and 2024-25 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” on page 90 of this Red Herring Prospectus. The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in chapter titled “Objects of the Issue” on page 90 of this Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue, subject to approval from Shareholders of the Company. Our Board of Directors will monitor the proceeds of this Issue.

**18. Our revenues are highly dependent on our operations in geographical region of state of Gujarat. Any adverse development affecting our operations in this region could have an adverse impact on our business, financial condition and results of operations.**

We derive our revenue from products sold to customers based in the state of Gujarat only. If the economic conditions of State of Gujarat become volatile or uncertain or the conditions in the financial market were to deteriorate, especially in recent times due to the COVID-19 pandemic, or if there are any changes in laws applicable to our industry or if any restrictive conditions are imposed on us or our business, there will be a severe impact on the financial condition of our business. Further, the ultimate customers located in this geography may reduce or postpone their spending significantly which would adversely affect our operations and financial conditions.

**19. Our business is subject to seasonal and cyclical volatility due to which there may be fluctuation in the sales of products which could lead to higher closing inventory position, which may adversely affect our business.**

We offer products at our stores that our consumers require, and our success is dependent on our ability to meet our consumers’ requirements. The retail consumer spending is heavily dependent on the economy and, to a large extent, on various occasions such as festivals like Diwali, Navratri, Raksha Bandhan etc., seasonal changes, weddings, etc. Any year also has phases of lean sales. We have historically experienced seasonal fluctuation in our sales, with higher sales volumes associated with the festive period in the third quarter of each Financial Year. We have also seen higher sales volume of products in a certain season. These seasonal variations in consumer demand subject our sector to a considerable degree of volatility. As a result, our revenue and profits may vary during different quarters of the financial year and certain periods may not be indicative of our financial position for a full financial year or future quarters or periods and may be below market expectations. Further, any unanticipated decrease in demand for our products during our peak selling season could result into higher closing inventory position, which may lead to sale and liquidation of inventory getting delayed against the trajectory under normal course of business, which could adversely affect our financial position and business operations. Fluctuations in the electronic retail market affect the inventory owned by electronic retailers, since merchandise usually must be manufactured in advance of the season and frequently before the trends are evidenced by customer purchases. In addition, the cyclical nature of the retail electronics business requires us to carry a significant amount of inventory, especially prior to peak selling seasons when we build up our inventory levels.

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

Our business requires significant working capital, part of which would be met through additional borrowings in the future. In many cases, significant amounts of working capital are required to finance the procurement of branded products before payments are received from customers. Our working capital requirements may increase, under certain conditions, where payment terms do not include advance payments or include delayed payments from customers. Additionally, our working capital requirements have increased in recent years due to the general growth of our business. All these factors may result, or have resulted, in increases in our working capital needs. The details of working capital requirements are as follows:

Particulars	On Restated Basis for the Financial Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Current Assets</b>			

Particulars	On Restated Basis for the Financial Year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Inventories</b>			
• Stock in Trade	2,290.20	1,052.15	15.81
Trade receivables	317.93	227.22	0.00
Cash and Bank Balance	91.86	44.54	41.52
Loans and Advances	672.65	358.84	3.43
Other Assets	5.16	3.81	5.71
<b>Total Current Assets (A)</b>	<b>3,377.80</b>	<b>1,686.56</b>	<b>66.47</b>
<b>Current Liabilities</b>			
Trade payables	1,292.89	1,068.12	33.98
Other liabilities (Including Non-Current)	46.45	10.22	0.12
Short-term provisions	69.59	14.29	0.28
<b>Total Current Liabilities (B)</b>	<b>1,408.93</b>	<b>1,092.63</b>	<b>34.39</b>
<b>Net Working Capital (A-B)</b>	<b>1,968.87</b>	<b>593.93</b>	<b>32.08</b>
<b>Sources of Funds</b>			
Short Term Borrowing	399.98	49.88	-
Unsecured Loan	185.02	110.44	-
Internal Accruals/Existing Net worth/ Security Deposit	1,383.87	433.61	32.08
<b>Total</b>	<b>1,968.87</b>	<b>593.93</b>	<b>32.08</b>

21. *In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoters and Directors; they are interested to the extent of their shareholding and dividend entitlement thereon in our Company and for the transactions entered into between our Company and themselves as well as between our Company and our Group Companies/Entities.*

Our Promoters – Directors are interested in our Company to the extent of their shareholding and dividend entitlement thereon in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoters and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity which may be or may not be at Arms’ Length Price and in Ordinary Course of Business. If the transactions are executed not on Arms’ Length Price and in Ordinary Course of Business, our financial position may get affected to that extent. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years, please refer to the “Annexure – IX - Related Party Transaction” under chapter titled “Restated Financial Information” starting from page 198 of this Red Herring Prospectus.

22. *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 industry is competitive on account of both the organized and unorganized players. Players in this industry generally compete on key attributes such as timely delivery, pricing, the quality etc. 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 offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales 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.

23. *Our company has availed credit facility from bank and it is subject to certain restrictive covenants. Any Delay in issuing No Objection Certificate for the proposed issue may delay our proposed Initial public offering.*

At present, we avail credit facilities from HDFC Bank aggregating to ₹ 91.09 Lakh as on September 30, 2023 and ₹ 397.10 Lakhs for the year ended March 31, 2023. We have entered into mortgage agreement with our lenders and the covenants in borrowings from bank / lenders, among other things require us to obtain prior permissions in writing in respect of, including, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or

acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. and for which we have received NOC from the lender Bank..

**24. *We operate in a competitive industry and our market share may be adversely impacted in case we do not keep ourselves apprised of the latest consumer trends and technology and if we fail to compete effectively in the markets in which we operate.***

We operate in a competitive industry which is characterized by rapid shifts in consumer trends and technology and our market share may be adversely impacted at any time by the significant number of competitors in our industry that may compete more effectively than us. These frequent changes and their impact on consumer demand may result into both price and demand volatility, leading to change in the competitive scenario. Due to the expansive nature of our business, we face competition from various kinds of players including, players operating in retail, wholesale and e-commerce space. We compete with national and local consumer durable stores, independent retail stores and internet businesses that market similar lines of products as us. Many of our competitors are, and many of our potential competitors may be, larger, and may have substantially greater financial, marketing and other resources and, therefore, may be able to adapt to changes in customer requirements more quickly and devote greater resources in marketing and sale of their products or adopt more aggressive pricing policies than we can.

We face a variety of competitive challenges, including:

1. pricing our products to remain competitive while achieving a customer perception of comparatively higher value;
2. anticipating and quickly responding to changing consumer demands;
3. maintaining favourable brand recognition and effectively marketing our products to consumers in diverse markets;
4. providing strong and effective marketing support;
5. maintaining high levels of consumer traffic to our retail and online stores; and
6. local stores which may have a fixed clientele base and wider penetration in certain geographical areas;

Similarly, some of our organized competitors may also have advantages over us on account of, more prominent locations of their stores, more efficient distribution networks, better trained employees, greater geographic reach, broader product ranges or access to a large pool of financial resources. Further, certain regional and national competitors have already expanded in untapped new markets. As a result, we will need to put in efforts to create brands and propositions that will provide access to high value products and also create a customer connect to our brand identity.

**25. *Competition from online retailers who can offer products at competitive prices and are also able to offer wide range of products may adversely affect our business and our financial condition, results of operations and cash flows.***

We are witnessing a growth in the competition from online retailers who have been able to offer products at competitive prices. Due to various factors, including efficient logistics management and strategic tie-ups, online retailers are not only able to offer more discounts, but also a wider range of consumer durables. Due to the said reasons, online retailing has been witnessing noticeable growth in the recent years and increased competition from them could reduce footfalls and sales in our stores. There is no assurance that we would be able to effectively offset the advantages that our competitors in the online business may have and grow our business in a similar fashion like our online competitors, or that the competition we face would not drain our financial or other resources. If we are unable to adequately address such competitive pressures, our business, financial condition, results of operations and cash flows may be adversely affected.

**26. *Our success depends heavily upon our Promoters, Directors and Key Managerial Personnel for their continuing services, strategic guidance and financial support. Our success depends heavily upon the continuing services of Promoters, Directors and Key Managerial Personnel who are the natural person in control of our Company.***

Our Promoters and Directors have a vast experience in the field of retail business of consumer durables. They have established cordial relations with various customers and suppliers over the past several years, which have immensely benefitted our Company's current customer and supplier relations. We believe, our Promoters and Directors, who have rich experience in this industry, managing customers and handling overall businesses, has enabled us to experience growth and profitability.

We benefit from our relationship with our Promoters, Director and Key Managerial Personnel and our success depends upon their continuing services. We also depend significantly on our Directors and Key Managerial Persons for executing our day-to-day activities. The loss of any of our Promoters, Directors and Key Management Personnel, or failure to retain, recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to

execute our growth strategy. For further details of our Directors and Key Managerial Personnel, please refer to the chapter titled “Our Management” on page 174 of this Red Herring Prospectus.

- 27. Our Company has availed ₹ 403.31 lakhs and ₹ 646.49 lakhs as unsecured loan as on September 30, 2023 and year ended March 31, 2023 from promoters, promoter group, group companies/entities and relatives of Director/Promoter, financial institutions, which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.**

Our Company has, as per the restated audited financial statement as on September 30, 2023 and March 31, 2023, availed total sum of ₹ 403.31 lakhs and ₹ 646.49 lakhs as unsecured loan from promoters, promoter group, group companies/entities and relatives of Director/Promoter, financial institutions which may be recalled at any time. Sudden recall may impact our operations and also may force us to opt for funding at unviable terms resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For details of transactions, please refer “Annexure – IX - Related Party Transactions” under the chapter titled “Restated Financial Information” beginning from page 198 of this Red Herring Prospectus.

- 28. Any conflict of interest which may occur between our business and any other similar business activities pursued by our Promoters and Promoter Group entity could have a material adverse effect on our business and results of operations.**

As of the date of this Red Herring Prospectus, certain of our promoter group entities in which our Promoters are promoters and directors are engaged in business activities similar to our business, thereby causing a conflict of interest between our Company, our Promoters and such Promoter Group entities. We have not entered into a non-compete arrangement with them to address such conflicts. We cannot assure you that a conflict will not arise, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations. For further details of conflict of interest please refer chapter titled “Information with respect to Group Companies/Entities” on page 239 of this Red Herring Prospectus.

- 29. The average cost of acquisition of Equity Shares by our Promoters could be lower than the issue price.**

Our Promoter’s average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Mr. Manishbhai Girishbhai Patel	1837500	6.82
2.	Mr. Jigar Lallubhai Desai	1212750	8.35
3.	Mr. Parth Lallubhai Desai	1212750	8.35
4.	Mr. Jigneshkumar Dashrathlal Parekh	294000	8.98
5.	Mr. Amitkumar Gopalbhai Patel	275625	8.89

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

- 30. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the offer, which will allow them to determine the outcome of the matters requiring the approval of shareholders.**

Our promoter along with the promoter group will continue to hold collectively upto 71.64 % of the Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder’s vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

- 31. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders’ investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity

Shares will appreciate in value. For details of our Dividend history refer to the Section “Dividend Policy” on page 197 of the Red Herring Prospectus.

**32. Any future issuance of our Equity Shares may dilute prospective investors’ shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.**

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, depending on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favorable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt-to-equity ratio to increase or require us to create charges or lines on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any issuance of Equity Shares by our Company may dilute the shareholding of investors in our Company; and hence affect the trading price of our Company’s Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company’s Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company’s major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**33. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and the results of operations.**

As of period ended September 30, 2023 and for the year ended March 31, 2023, we have ₹ 1058.22 Lakhs, ₹ 506.57 Lakhs, respectively of outstanding debt as per restated financials of the Company resulting into Debt-Equity Ratio of 0.55 and 5.03 as on September 30, 2023 and March 31, 2023, respectively.

Our level of indebtedness has important consequences to us, such as:

- Increasing our vulnerability to general adverse economic, industry and competitive conditions;
- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

For details, please refer to chapter titled “Business Overview” beginning on page 127 of the Red Herring Prospectus

**34. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.**

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. 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.

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

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are

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

- 36. *We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion subject to applicable laws post discretion and as per the details mentioned in the section titled “Objects of the Issue”.***

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management subject to applicable laws post discretion and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “*Object for the Issue*” beginning on page 90 of this Red Herring Prospectus.

- 37. *Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds towards utilization for the working capital requirement and General Corporate Purposes of our Company. For further details of the proposed objects of the Issue, see Chapter titled as “*Objects of the Issue*” beginning on page 90. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

- 38. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

## **EXTERNAL RISK FACTORS**

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in 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 implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. 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 such future amendments may affect our overall tax efficiency and may result in significant additional taxes becoming payable.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**3. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

The Government of India has traditionally exercised, and continues to exercise, a significant 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. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India’s economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

**4. *An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our business, results of operations and financial condition.***

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and



financial condition. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

**5. *Terrorist attacks or war or conflicts involving India or other countries could adversely affect consumer and business sentiment and the financial markets and adversely affect our business.***

Terrorist attacks and other acts of violence or war may adversely affect global equity markets and economic growth as well as the Indian economy and stock markets. Such acts negatively impact business and economic sentiment, which could adversely affect our business and profitability. Also, India has from time to time experienced, and continues to experience, social and civil unrest and hostilities with neighbouring countries. Armed conflicts could disrupt communications and adversely affect the Indian economy. Such events could also create a perception that investments in Indian companies involve a high degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares. The consequences of any armed conflicts are unpredictable and we therefore may not be able to foresee events that could have an adverse effect on our business.

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

Global economic and political factors that are beyond our control, influence forecasts 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.

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

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

**8. *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.

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

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

**10. *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.

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

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

**12. *A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investor's reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Statutory Approvals" on page 256 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see "Outstanding Litigation and Material Developments" on page \_\_. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from

investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“Finance Act”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“DDT”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non- resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**14. *The Equity Shares have never been publicly traded, and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Offer 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 Offer can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalisation and deregulation policies, and significant developments in India’s fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry-specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies’ operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

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

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

Any further issuance of Equity Shares, or convertible securities or other equity-linked instruments by us may dilute your shareholding. We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising

capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**16. The sale of Equity Shares by our Promoters in future may adversely affect the market price of the Equity Shares.**

After the completion of the Offer, our Promoters will still own a significant percentage of our issued Equity Shares. The sale of a large number of the Equity Shares by our Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**17. There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all.**

\There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the relevant stock exchange within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**PROMINENT NOTES**

- Public Issue of 2910000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “Issue Price”) aggregating to ₹ [●]/- lakhs (“the issue”).
- The Net Asset Value per Equity Share of our Company as per the Restated Financials is ₹ 12.47, ₹ 42.05, ₹ 12.05 and ₹ 8.25 for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022 and 2021.
- The net worth of our Company as per Restated Financials as of September 30, 2023 is ₹ 916.72 Lakhs.
- Average cost of acquisition of equity shares by our promoters is as follows:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Mr. Manishbhai Girishbhai Patel	1837500	6.82
2.	Mr. Jigar Lallubhai Desai	1212750	8.35
3.	Mr. Parth Lallubhai Desai	1212750	8.35
4.	Mr. Jigneshkumar Dashrathlal Parekh	294000	8.98
5.	Mr. Amitkumar Gopalbhai Patel	275625	8.89

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by him to acquire Shares by way of allotment and Transfer as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

For further details, please refer to chapter titled “Capital Structure” beginning on page 49 of this Red Herring Prospectus.

- There has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Red Herring Prospectus, except pursuant to Conversion of company from private Limited to Public Limited.
- There has been no financing arrangement whereby our directors or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Red Herring Prospectus.
- Except as stated under the chapter titled “Capital Structure” beginning on page 49 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
- Except as disclosed in the chapters titled “Capital Structure”, “Our Promoters and Promoter Group”, “Information with respect to Group Companies/entities” and “Our Management” beginning on page 49, 190, 239 and 174 respectively of this Red Herring Prospectus, none of our Promoters, Directors or Key Managerial Personnel has any interest in our Company.

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9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
  10. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 99 of the Red Herring Prospectus.

Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 49 of this Red Herring Prospectus.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Red Herring Prospectus:

Particulars	Details
Equity Shares Issued*	Issue of 2910000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share each aggregating to ₹ [●]/- Lakhs
Of which:	
Reserved for Market Makers	146000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●]/- Lakhs
Net Issue to the Public	2764000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●]/- Lakhs
Of which	
A. Allocation to Qualified Institutional Buyers	Not more than 1378000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●]/- Lakhs
Of which:	
Anchor Investor Portion	Upto 826000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto 552000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
B. Allocation to Non-Institutional Investors	Not less than 416000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●]/- Lakhs
C. Allocation to Retail Individual Investors	Not less than 970000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●]/- Lakhs
Equity Shares outstanding prior to the Issue	7350000 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	10260000 Equity Shares of ₹ 10/- each
Use of Proceeds	For details, please refer chapter titled “ <i>Objects of The Issue</i> ” beginning on Page 90 of this Red Herring Prospectus for information on use of Issue Proceeds.

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

- (1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) and Regulation 253 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.
- (2) The present Issue has been authorized pursuant to a resolution of our Board dated September 05, 2023 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 September 07, 2023.
- (3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

- (4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

**SUMMARY OF FINANCIAL INFORMATION**

**ANNEXURE – I: STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

(Amount in ₹ Lakhs)

	Particulars	As at September 30, 2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>1. Shareholders' funds</b>				
	(a) Share Capital	735.00	50.00	50.00	15.00
	(b) Reserves and surplus	190.48	170.29	10.43	(2.36)
	<b>2. Non-current liabilities</b>				
	(a) Long-term borrowings	7.00	9.64	14.63	-
	(b) Other Non-current Liabilities	1,530.10	1,162.56	366.90	24.00
	(c) Deferred Tax liability	3.89	5.80	6.48	0.06
	(d) Long-term provisions	5.61	5.25	-	-
	<b>3. Current liabilities</b>				
	(a) Short-term borrowings	499.57	1,048.58	569.63	-
	(b) Trade payables				
	i) Due to MSME	304.78	269.42	140.95	-
	ii) Due to Others	767.44	1,023.47	927.17	33.98
	(c) Other current liabilities	22.25	46.45	10.22	0.12
	(d) Short-term provisions	276.15	69.59	14.29	0.28
	<b>TOTAL</b>	<b>4,342.27</b>	<b>3,861.05</b>	<b>2,110.70</b>	<b>71.08</b>
<b>I</b>	<b>ASSETS</b>				
<b>I.</b>	<b>1. Non-current assets</b>				
	(a) Property Plant & Equipments & Intangible Assets				
	(i) Property Plant & Equipments	407.90	430.77	397.53	4.35
	(ii) Intangible Assets	37.25	42.45	26.42	-
	(iii) Capital work-in-progress	-	-	-	-
	(b) Non-current investments	-	-	-	-
	(c) Long-term loans and advances	-	-	3.00	5.71
	(d) Non-Current Assets	86.82	83.42	67.61	0.26
	<b>2. Current assets</b>				
	(a) Inventories	2,816.15	2,290.20	1,052.15	15.81
	(b) Trade receivables	99.85	317.93	227.22	-
	(c) Cash and cash equivalents	249.94	91.86	44.53	41.51
	(d) Short-term loans and advances	637.50	599.26	291.43	3.43
	(e) Other Current Assets	6.86	5.16	0.81	-
	<b>TOTAL</b>	<b>4,342.27</b>	<b>3,861.05</b>	<b>2,110.70</b>	<b>71.08</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.



**ANNEXURE –II: STATEMENT OF PROFIT & LOSS, AS RESTATED**

(Amount in ₹ Lakhs)

	Particulars	For the period ended September 30, 2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>I</b>	Revenue from operations	13,975.84	19,582.60	9,090.74	9.92
<b>II</b>	Other Income	47.14	43.49	1.59	-
<b>III</b>	<b>Total Income (I+II)</b>	<b>14,022.98</b>	<b>19,626.09</b>	<b>9,092.33</b>	<b>9.92</b>
	<b>Expenses:</b>				
	(a) Cost of materials consumed			-	
	(b) Purchases of stock-in-trade	13,121.47	18,907.49	9,308.89	25.30
	(c) Changes in inventories of finished goods, work-in- progress and Stock in Trade	(525.95)	(1,238.05)	(1,036.34)	(15.81)
	(d) Employee benefits expense	167.79	324.30	173.20	-
	(e) Finance costs	30.68	100.71	34.99	-
	(f) Depreciation and amortisation expense	39.62	69.03	31.29	0.01
	(g) Other expenses	973.53	1,242.62	561.09	2.72
<b>IV</b>	<b>Total expenses</b>	<b>13,807.14</b>	<b>19,407.20</b>	<b>9,074.22</b>	<b>12.22</b>
			-		
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>	<b>215.84</b>	<b>219.99</b>	<b>19.21</b>	<b>(2.30)</b>
<b>VI</b>	<b>Exceptional Items</b>		<b>(0.25)</b>	-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>	<b>215.84</b>	<b>219.74</b>	<b>19.21</b>	<b>(2.30)</b>
<b>VIII</b>	<b>Tax expense:</b>				
	(a) Current tax expense	62.56	60.54	3.00	-
	(b) Short/(Excess) provision of tax for earlier years	-	-	-	-
	(c) MAT Credit Entitlement	-	-	(3.00)	-
	(d) Deferred tax charge/(credit)	(1.91)	(0.67)	6.42	0.06
		<b>60.65</b>	<b>59.88</b>	<b>6.41</b>	<b>0.06</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>	<b>155.19</b>	<b>159.86</b>	<b>12.79</b>	<b>(2.36)</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)</b>				
	(a) Basic (in ₹)	2.13	2.35	0.19	(0.04)
	(b) Diluted (in ₹)	2.13	2.35	0.19	(0.04)

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

**ANNEXURE –III: STATEMENT OF CASH FLOW, AS RESTATED**

(Amount in ₹ Lakhs)

Particulars	For the period/year Ended			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Extraordinary items	215.84	219.99	19.21	(2.30)
Adjustment For:				
(a) Depreciation and Amortization	39.62	69.03	31.29	0.01
(b) Interest Charges	30.68	100.71	34.99	-
(c) (Gain)/Loss on Sale of Assets	-	-	-	-
(d) Other non-cash items	-	-	-	-
(e) Interest & Other income	-	(0.35)	-	-
(f) Expenses written off	1.27	2.54	0.07	0.07
<b>Operating Profit before Working Capital Changes</b>	<b>287.41</b>	<b>391.92</b>	<b>85.56</b>	<b>(2.22)</b>
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(525.95)	(1,238.05)	(1,036.34)	(15.81)
(b) (Increase)/Decrease in Trade Receivables	216.81	(90.71)	(227.22)	-
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(43.34)	(327.99)	(288.81)	(9.48)
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	(587.32)	740.15	1,560.47	34.39
<b>Cash Generated from Operations</b>	<b>(652.39)</b>	<b>(524.68)</b>	<b>93.66</b>	<b>6.88</b>
Less : Direct Taxes Paid	(62.56)	-	(3.00)	-
<b>Cash Flow Before Extraordinary Items</b>	<b>(714.95)</b>	<b>(524.68)</b>	<b>90.66</b>	<b>6.88</b>
<b>Net Cash from Operating Activities (A)</b>	<b>(714.95)</b>	<b>(524.68)</b>	<b>90.66</b>	<b>6.88</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Sales / (Addition) in Fixed Assets & WIP	(11.55)	(118.30)	(450.89)	(4.37)
(b) (Increase) / Decrease in Investment	-	-	-	-
(c) (Increase ) / Decrease in Long term loans and advances	-	-	5.71	-
(d) Interest and other income	-	0.35	-	-
<b>Net Cash from Investing Activities (B)</b>	<b>(11.55)</b>	<b>(117.95)</b>	<b>(445.18)</b>	<b>(4.37)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Increase/(Decrease) in Borrowings	(2.64)	(4.99)	14.63	-
(b) Increase/(Decrease) in long term Liabilities	367.54	795.66	342.90	24.00
(c) Increase / (Decrease) in Long Term Provisions	0.36	-	-	-
(d) Issue of Share Capital	550.00	-	35.00	15.00
(e) Interest Paid	(30.68)	(100.71)	(34.99)	-
<b>Net Cash Flow in Financing Activities (C)</b>	<b>884.58</b>	<b>689.96</b>	<b>357.54</b>	<b>39.00</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>158.08</b>	<b>47.33</b>	<b>3.02</b>	<b>41.51</b>
<b>Opening Balance – Cash &amp; Cash Equivalent</b>	<b>91.86</b>	<b>44.53</b>	<b>41.51</b>	<b>-</b>
<b>Closing Balance - Cash &amp; Cash Equivalent</b>	<b>249.94</b>	<b>91.86</b>	<b>44.53</b>	<b>41.51</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

## SECTION V – GENERAL INFORMATION

Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page 159 of this Red Herring Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details			
Name of Issuer	Fonebox Retail Limited			
Registered Office	702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad- 380061, Gujarat, India; <b>Telephone No.:</b> 079 46025304; <b>Web site:</b> <a href="http://www.fonebook.in">www.fonebook.in</a> <b>E-Mail:</b> <a href="mailto:cs@fonebox.in">cs@fonebox.in</a> <b>Contact Person:</b> Mrs. Charmi Vansh Shah			
Date of Incorporation	February 03, 2021			
Company Identification Number	U51909GJ2021PLC119941			
Company Registration Number	119941			
Company Category	Company Limited by Shares			
Registrar of Company	ROC- Ahmedabad			
Address of the RoC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat. <b>Phone:</b> 079-27438531			
Company Secretary and Compliance Officer	<b>Mrs. Charmi Vansh Shah</b> Fonebox Retail Limited 702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad- 380061, Gujarat, India <b>Telephone No.:</b> 079 46025304; <b>Web site:</b> <a href="http://www.fonebook.in">www.fonebook.in</a> <b>E-Mail:</b> <a href="mailto:cs@fonebox.in">cs@fonebox.in</a>			
Designated Stock Exchange	EMERGE Platform of National Stock Exchange of India Limited <b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051			
Issue Programme	<b>Issue Opens On:</b>	<b>Wednesday, January 24, 2024</b>	<b>Issue Closes On:</b>	<b>Monday, January 29, 2024</b>

#### Note:

Investors can contact the Company Secretary and Compliance officer in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process and UPI Process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted or Sponsor Bank, as the case may be. The Applicant should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, UPI ID (in case of RII’s if applicable), date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned hereinabove.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors.

Sr. No.	Name	Designation	Address	DIN
1.	Mr. Manishbhai Girishbhai Patel	Chairman and Executive Director	6, B New Umiya Vijay Society, Near Rannapark, Ghatlodia, Ahmedabad, 380061 Gujarat, India.	01436792
2.	Mr. Amitkumar Gopalbhai Patel	Managing Director	18, Man Mandir Society, Rannapark, Ghatlodia, Ahmedabad- 380061, Gujarat, India.	08472609
3.	Mr. Parth Lallubhai Desai	Executive Director and Chief Financial Officer	694/1, Sector-6/b, Near Astha Hostel, Sector-6, Gandhinagar Sector 6, Gandinagar- 382006 Gujarat, India.	01452248
4.	Mr. Jigneshkumar Dashrathlal Parekh	Whole-Time director	87, Amikunj Society, Near Jain Mandir, Behind Pashabhai Petrol Pump, Mahesana- 384002, Gujarat, India.	10118869
5.	Mr. Jay Deepakbhai Khatnani	Independent Director	37, Patel Society, Near Lakhnbharti School, Sardarnagar, Ahmedabad-382475, Gujarat, India.	08659187
6.	Mrs. Bhavisha Kunal Chauhan	Independent Director	37, Sahjanand Park, Opp. Vaibhav Hall, Ghodasar, Near Royal Enfield Showroom, Ahmedabad-380050, Gujarat, India	10092854
7.	Mr. Aayush Kamleshbhai Shah	Independent Director	901, Gulmohar Heights, Anandnagar Cross Road, Satellite, Opp. Madhur Hall, Manekbag, Ahmedabad- 380015 Gujarat, India.	10149440
8.	Mr. Sumitkumar Hareshbhai Patel	Independent Director	B/108, Ganesh Homes, Shiv Shanti Society, Vastral, Ahmedabad- 382418, Gujarat, India.	10105361

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on page 174 of this Red herring Prospectus.

#### DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
	
<b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> <b>SEBI Registration Number:</b> INM000012917 <b>Address:</b> B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad-380054, Gujarat, India. <b>Telephone Number:</b> 079 4918 5784 <b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> <b>Investors Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a> <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a> <b>Contact Person:</b> Mr. Nikhil Shah <b>CIN:</b> U67190GJ2020PTC114322	<b>KFIN TECHNOLOGIES LIMITED</b> <b>SEBI Registration Number:</b> INR000000221 <b>Address:</b> Selenium Tower-B, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032, Telangana <b>Tel. Number:</b> +91 40 6716 2222 <b>Toll Free No-</b> 1800 309 4001 <b>Email Id:</b> <a href="mailto:foneboxretail.ipo@kfintech.com">foneboxretail.ipo@kfintech.com</a> <b>Investors Grievance Id:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> <b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a> <b>Contact Person:</b> Mr. M Murali Krishna <b>CIN:</b> L72400TG2017PLC117649
STATUTORY AUDITORS OF THE COMPANY	LEGAL ADVISOR TO THE COMPANY
<b>M/S. R K KOTADIYA &amp; CO. LLP</b> Chartered Accountants <b>Address:</b> A-203, Krishana Complex, Opp. Devasish Business Park, Nr. S.G. Road, Bodakdev, Satellite, Ahmedabad-380015, Gujarat. <b>Tel. No.:</b> +91 97256 04018	<b>ANA ADVISORS</b> <b>Address:</b> 118 Shila Vihar, Gokulpura, Kalwar Road Jhotwara, Jaipur-302012 <b>Email:</b> <a href="mailto:anaadvisors22@gmail.com">anaadvisors22@gmail.com</a> <b>Contact Person:</b> Kamlesh Kumar Goyal <b>Tel No.:</b> +91-9887906529

<b>Email Id:</b> <a href="mailto:kotadiyarajesh.ica@gmail.com">kotadiyarajesh.ica@gmail.com</a> <b>Membership No.:</b> 142120 <b>Contact Person:</b> CA Rajesh K Kotadiya <b>Firm Registration No:</b> 136884W	
<b>PEER REVIEW AUDITOR OF THR COMPANY</b>	<b>BANKERS TO THE COMPANY</b>
<b>M/s. S V J K AND ASSOCIATES,</b> Chartered Accountants <b>Address:</b> 813, I Square Business Park, Near Shukan Mall, Besides CIMS Hospital, Science City Road, Sola, Ahmedabad-380060. <b>Mobile No.:</b> +91 93775 11790 <b>Email:</b> <a href="mailto:ankit.singhal0810@gmail.com">ankit.singhal0810@gmail.com</a> <b>Contact Person:</b> CA Reeturaj Verma <b>Membership Number:</b> 193591 <b>Firm Registration Number:</b> 135182W <b>Peer Review Certificate Number:</b> 014698	<b>HDFC Bank Limited</b> <b>Address:</b> A/1/A/2/A/3, Dev Homes, Near Balol Nagar, Ranip, Ahmedabad <b>Tel:</b> +91 9714199320 <b>Email:</b> <a href="mailto:bharat.prajapati@hdfcbank.co">bharat.prajapati@hdfcbank.co</a> <b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Mr. Bharat Prajapati
<b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>	
<b>Axis Bank Limited</b> <b>Address:</b> Himmatnagar Branch, Ground Floor, Ashoka House, Civil Circle Road, Opposite Civil Hospital, Himmatnagar, Gujarat, 383001. <b>Tel:</b> +91 8980802831, <b>Email:</b> <a href="mailto:himmatnagar.branchhead@axisbank.com">himmatnagar.branchhead@axisbank.com</a> , <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Contact Person:</b> Mr. Mehulkumar Ganpathbhai Sagar, <b>SEBI Registration Number-</b> INBI00000017	

#### DESIGNATED INTERMEDIARIES

##### Self-Certified Syndicate Banks

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

##### Self-Certified Syndicate Banks eligible as Sponsor 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 provide on the website of SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>.

#### BROKERS TO THE ISSUE

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

#### REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

#### COLLECTING DEPOSITORY PARTICIPANTS

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18for> CDSL CDPs, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

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

Since Beeline Capital Advisors Private Limited is only Book Running Lead Manager to the issue, all the responsibility of the issue will be managed by them.

### CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

### 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.

### FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, Indi.

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

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and will be made available on the website of the company i.e., [www.fonebook.in](http://www.fonebook.in)

### CHANGES IN AUDITORS IN LAST THREE YEARS

Particulars	Date of Appointment/Resignation	Reason for change
<b>M/S. R K KOTADIYA &amp; CO.</b> Chartered Accountants <b>Address:</b> A-203, Krishana Complex, Opp. Devasish Business, Business Park, Nr. S.G. Road, Bodakdev, Satellite, Ahmedabad-380015, Gujarat. <b>Tel. No.:</b> +91 97256 04018 <b>Email Id:</b> <a href="mailto:kotadiyarajesh.ica@gmail.com">kotadiyarajesh.ica@gmail.com</a> <b>Membership No.:</b> 142120 <b>Firm Registration No:</b> 136884W	February 15, 2021	Appointment of First auditor by Board of directors
<b>M/S. R K KOTADIYA &amp; CO.</b> Chartered Accountants <b>Address:</b> A-203, Krishana Complex, Opp. Devasish Business, Business Park, Nr. S.G. Road, Bodakdev, Satellite, Ahmedabad-380015, Gujarat. <b>Tel. No.:</b> +91 97256 04018 <b>Email Id:</b> <a href="mailto:kotadiyarajesh.ica@gmail.com">kotadiyarajesh.ica@gmail.com</a> <b>Membership No.:</b> 142120 <b>Firm Registration No:</b> 136884W	December 31, 2021	Re-Appointment of Statutory Auditor in Annual General Meeting for term commencing from April 01, 2021 to March 31, 2025.

### TRUSTEES

As this is an issue of Equity Shares, the appointment of Trustees is not required.

### APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the Issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

### BOOK BUILDING PROCESS

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

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 268 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 268 of this Red Herring Prospectus.

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

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

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 268 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

#### **Bid/Issue Program:**

Event	Indicative Dates
Bid/Issue Opening Date	Wednesday, January 24, 2024
Bid/Issue Closing Date	Monday, January 29, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, January 30, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Wednesday, January 31, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, January 31, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday February 01, 2024

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 (Three) Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock



Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

#### WITHDRAWAL OF THE ISSUE

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

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

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

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

#### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on January 12, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being Issued through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>Beeline Capital Advisors Private Limited</b> <b>SEBI Registration Number:</b> INM000012917 <b>Address:</b> B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad – 380054, Gujarat, India	2910000	[●]	100%

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>Telephone Number:</b> 079-4918 5784 <b>Email Id:</b> mb@Beelinemb.com <b>Investors Grievance Id:</b> ig@Beelinemb.com <b>Website:</b> Www.beelinemb.com <b>Contact Person:</b> Mr. Nikhil Shah <b>CIN:</b> U67190GJ2020PTC114322			

*\*Includes 146000 Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

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

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

Our Company and the Book Running Lead Manager have entered into an agreement dated January 12, 2024 with the following Market Maker to fulfil the obligations of Market Making:

##### **SPREAD X SECURITIES PRIVATE LIMITED**

**Address:** Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmadabad City Gujarat 380054 India

**Contact Person:** Mrs. Khushbu Nikhilkumar Shah

**Designation:** Director

**Tel No.:** 079 6907 2018

**Email ID:** [info@spreadx.in](mailto:info@spreadx.in)

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

**SEBI Registration Number:** INZ000310930

The Market Maker shall the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the NSE and SEBI in this regard from time to time.

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being Issued by the Market Maker(s).
- 2) The 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(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 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 [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] 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, NSE may intimate the same to SEBI after due verification.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during

the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.

- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) 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.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
- 11) In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.
- 12) Risk containment measures and monitoring for Market Makers: Emerge Platform of NSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 13) Punitive Action in case of default by Market Makers: Emerge Platform of NSE 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 maker issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 14) 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.
- 15) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- 16) 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.
- 17) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
- 18) Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 19) 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 Crore 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 / NSE from time to time.

## SECTION VI - CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of filing of the Red Herring Prospectus, is set forth below:

(Amount in ₹ Lakh except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	<b>AUTHORIZED SHARE CAPITAL</b> 10500000 Equity Shares of face value of ₹ 10/- each	1,050.00	-
2.	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b> 7350000 Equity Shares of face value of ₹ 10/- each	735.00	-
3.	<b>PRESENT ISSUE IN TERMS OF THE RED HERRING PROSPECTUS*</b>		
	Issue of 2910000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share.	291.00	[●]
	<b>Which comprises</b>		
	<b>Reservation for Market Maker:</b> 146000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion	14.60	[●]
	<b>Net Issue to Public:</b> 2764000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public	276.40	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 1378000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least 416000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	<b>Allocation to Retail Individual Investors:</b> At least 970000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors	[●]	[●]
4.	<b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b> 10260000 Equity Shares of ₹ 10/- each	1,026.00	-
5.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue	Nil	
	After the Issue	[●]	

\* The Present Issue of 2910000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 05, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on September 07, 2023.

### CLASS OF SHARES

The company has only one class of shares i.e., Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Red Herring Prospectus.

Our Company does not have any partly paid-up equity shares as on the date of this Red Herring Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE:

#### 1. Changes in the Authorized Share Capital of our Company:

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

Sr. No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	150000	15.00	N.A.	N.A.
2.	Increase in authorized share capital from ₹ 15.00/- Lakhs to ₹ 50.00/- Lakhs	500000	50.00	June 15, 2021	EGM
3.	Increase in authorized share capital from ₹ 50.00/- Lakhs to ₹ 1,050.00/- Lakhs	10500000	1,050.00	March 24, 2023	EGM

## 2. History of Paid-up Share Capital:

Our existing Paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
February 03, 2021	Subscription to Memorandum of Association <sup>(1)</sup>	150000	10	10	Cash	150000	15.00	Nil
July 02, 2021	Right Issue <sup>(2)</sup>	350000	10	10	Cash	500000	50.00	Nil
April 22, 2023	Right Issue <sup>(3)</sup>	550000	10	100	Cash	1050000	105.00	495.00
September 04, 2023	Bonus Issue <sup>(4)</sup>	6300000	10	Nil	Other than Cash	7350000	735.00	Nil

<sup>(1)</sup> The details of Initial Subscription to Memorandum of Association of 150000 Equity Shares on February 03, 2021, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Manishbhai Girishbhai Patel	120000	10	10
2.	Mr. Amitkumar Gopalbhai Patel	30000	10	10
<b>Total</b>		<b>150000</b>	<b>10</b>	<b>10</b>

<sup>(2)</sup> The details of allotment of 350000 Equity Shares under Right Issue made on July 02, 2021 in the ratio of 7:3 i.e., 7 (Seven) New Equity Shares for every 3 (Three) Equity Shares held as on June 14, 2021 are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Jigar Lallubhai Desai	75000	10	10
2.	Mr. Parth Lallubhai Desai	75000		
3.	Mr. Vijay Lalsingh Yadav	75000		
4.	Mr. Manishbhai Girishbhai Patel	62500		
5.	Mrs. Arti Sanjeev Kumar	12500		
6.	Mr. Somesh Chandreshkumar Patani	12500		
7.	Mr. Pranav Rajnikant Patel	12500		
8.	Mr. Rajnikant Jayantilal Barot	12500		
9.	Mr. Jigneshkumar Dashrathlal Parekh	12500		
<b>Total</b>		<b>350000</b>	<b>10</b>	<b>10</b>

(3) The details of allotment of 550000 Equity shares under Right Issue at an Issue Price of ₹ 100.00/- including premium of ₹ 90.00/- made on April 22, 2023, by way of Right Issue, in the ratio of 55:50 i.e., 55 (Fifty-Five) New Equity Shares for every 50 (Fifty) Equity Shares held on April 14, 2023 are as follows, :

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Manishbhai Girishbhai Patel	137500	10	100
2.	Mr. Jigar Lallubhai Desai	90750		
3.	Mr. Parth Lallubhai Desai	90750		
4.	Mr. Vijay Lalsingh Yadav	27500		
5.	Mr. Chandresh Dashrathbharthi Swami	24063		
6.	Mr. Krunal Bhagvanbhai Patel	24062		
7.	Mr. Jigneshkumar Dashrathlal Parekh	22000		
8.	Mr. Arvindkumar Ranchhodhbhai Patel	22000		
9.	Mr. Amitkumar Gopalbhai Patel	20625		
10.	Mr. Somesh Chandreshkumar Patani	13750		
11.	Mr. Rajnikant Jayantilal Barot	13750		
12.	Mr. Pranav Rajnikant Patel	13750		
13.	Mr. Harshkumar Bhupendrabhai Kotak	13750		
14.	Mrs. Arti Sanjeev Kumar	13750		
15.	Mr. Dhrumil Dineshbhai Patel	11000		
16.	Mr. Dhaval Dineshkumar Patel	11000		
<b>Total</b>		<b>550000</b>	<b>10</b>	<b>100</b>

(4) The details of allotment of 6300000 Bonus Equity Shares made on September 04, 2023 in ratio of 6:1 i.e., 6 (Six) fully paid-up Equity Shares for every 1 (One) Equity Shares held on September 01, 2023, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Manishbhai Girishbhai Patel	1575000	10	Nil
2.	Mr. Jigar Lallubhai Desai	1039500		
3.	Mr. Parth Lallubhai Desai	1039500		
4.	Mr. Vijay Lalsingh Yadav	315000		
5.	Mr. Chandresh Dashrathbharthi Swami	275628		
6.	Mr. Krunal Bhagvanbhai Patel	275622		
7.	Mr. Jigneshkumar Dashrathlal Parekh	252000		
8.	Mr. Arvindkumar Ranchhodhbhai Patel	252000		
9.	Mr. Amitkumar Gopalbhai Patel	236250		
10.	Mr. Somesh Chandreshkumar Patani	157500		
11.	Mr. Rajnikant Jayantilal Barot	157500		
12.	Mr. Pranav Rajnikant Patel	157500		
13.	Mr. Harshkumar Bhupendrabhai Kotak	157500		
14.	Mrs. Arti Sanjeev Kumar	157500		
15.	Mr. Dhrumil Dineshbhai Patel	126000		
16.	Mr. Dhaval Dineshkumar Patel	126000		
<b>Total</b>		<b>6300000</b>	<b>10</b>	<b>Nil</b>

- Except as disclosed below, we have not issued any Equity shares for consideration other than Cash or out of revaluation reserves at any point of time since Incorporation except for allotment of 6300000 Bonus Equity Shares made on September 04, 2023 in ratio of 6:1 i.e., 6 (Six) fully paid-up Equity Shares for every 1 (One) Equity Shares held on September 01, 2023, details of which are provided in point no. 2<sup>(4)</sup> of this chapter.
- Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 230 to 234 of the Companies Act, 2013.

5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Red Herring Prospectus except mentioned below:

The details of allotment of 6300000 Bonus Equity Shares made on September 04, 2023 in ratio of 6:1 i.e., 6 (Six) fully paid-up Equity Shares for every 1 (One) Equity Shares held on September 01, 2023, are as follows :

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Manishbhai Girishbhai Patel	1575000	10	Nil
2.	Mr. Jigar Lallubhai Desai	1039500		
3.	Mr. Parth Lallubhai Desai	1039500		
4.	Mr. Vijay Lalsingh Yadav	315000		
5.	Mr. Chandresh Dashrathbharthi Swami	275628		
6.	Mr. Krunal Bhagvanbhai Patel	275622		
7.	Mr. Jigneshkumar Dashrathlall Parekh	252000		
8.	Mr. Arvindkumar Ranchhodbhai Patel	252000		
9.	Mr. Amitkumar Gopalbhai Patel	236250		
10.	Mr. Somesh Chandreshkumar Patani	157500		
11.	Mr. Rajnikant Jayantilal Barot	157500		
12.	Mr. Pranav Rajnikant Patel	157500		
13.	Mr. Harshkumar Bhupendrabhai Kotak	157500		
14.	Mrs. Arti Sanjeev Kumar	157500		
15.	Mr. Dhrumil Dineshbhai Patel	126000		
16.	Mr. Dhaval Dineshkumar Patel	126000		
<b>Total</b>		<b>6300000</b>	<b>10</b>	<b>Nil</b>

7. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.

#### 8. Our Shareholding Pattern:

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

#### Declaration

Sr. No.	Particular	Yes/No	Promoters and Promoter Group	Public shareholder	Non-Promoter – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in? *	No	No	No	No
6.	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No	NA	NA
7.	Whether company has equity shares with differential voting rights?	No	No	No	No

Sr. No.	Particular	Yes/No	Promoters and Promoter Group	Public shareholder	Non-Promoter – Non-Public
8.	Whether the listed entity has any significant beneficial owner?	No	No	NA	NA

\* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on NSE Emerge.



**A. Table I - Summary Statement holding of Equity Shares**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VI D)+(X) as a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X)	Class (eg: Y)	Total								
(A)	Promoters & Promoter Group	16	7350000	-	-	7350000	100.00%	7350000	-	7350000	100.00	-	100.00%	-	-	-	-	7350000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VI D)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X)	Class (eg: Y)	Total								
	<b>Total</b>	<b>16</b>	<b>7350000</b>	<b>-</b>	<b>-</b>	<b>7350000</b>	<b>100.00 %</b>	<b>7350000</b>	<b>-</b>	<b>7350000</b>	<b>100.00</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7350000</b>
<b>Note:</b>																		
1.	<b>C=C1+C2</b>																	
2.	<b>Grand Total=A+B+C</b>																	

**B. Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)*	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VI D)+(X) as a % of (A+B+C 2)*	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class (eg: X)	Class (eg: Y)	Total								
(1)	<b>Indian</b>																	
	<b>Individual</b>	<b>16</b>	<b>7350000</b>	-	-	<b>7350000</b>	<b>100.00%</b>	<b>7350000</b>	-	<b>7350000</b>	<b>100.00%</b>	-	<b>100.00%</b>	-	-	-	-	<b>7350000</b>
1.	Mr. Manishbhai Girishbhai Patel (P)	1	1837500	-	-	1837500	25.00%	1837500	-	1837500	25.00%	-	25.00%	-	-	-	-	1837500
2.	Mr. Jigar Lallubhai Desai (P)	1	1212750	-	-	1212750	16.50%	1212750	-	1212750	16.50%	-	16.50%	-	-	-	-	1212750

3.	Mr. Parth Lallubhai Desai (P)	1	1212750	-	-	1212750	16.50%	1212750	-	1212750	16.50%	-	16.50%	-	-	-	-	1212750
4.	Mr. Jigneshkumar Dashrathlal Parekh (P)	1	294000	-	-	294000	4.00%	294000	-	294000	4.00%	-	4.00%	-	-	-	-	294000
5.	Mr. Amitkumar Gopalbhai Patel (P)	1	275625	-	-	275625	3.75%	275625	-	275625	3.75%	-	3.75%	-	-	-	-	275625
6.	Mr. Vijay Lalsingh Yadav (PG)	1	367500	-	-	367500	5.00%	367500	-	367500	5.00%	-	5.00%	-	-	-	-	367500
7.	Mr. Chandresh Dashrathbharthi Swami (PG)	1	321566	-	-	321566	4.38%	321566	-	321566	4.38%	-	4.38%	-	-	-	-	321566
8.	Mr. Krunal Bhagvanbhai Patel (PG)	1	321559	-	-	321559	4.37%	321559	-	321559	4.37%	-	4.37%	-	-	-	-	321559
9.	Mr. Arvindkumar Ranchhodbhai Patel (PG)	1	294000	-	-	294000	4.00%	294000	-	294000	4.00%	-	4.00%	-	-	-	-	294000
10.	Ms. Arti Sanjeev Kumar (PG)	1	183750	-	-	183750	2.50%	183750	-	183750	2.50%	-	2.50%	-	-	-	-	183750
11.	Mr. Somesh Chandreshkumar Patani (PG)	1	183750	-	-	183750	2.50%	183750	-	183750	2.50%	-	2.50%	-	-	-	-	183750

12.	Mr. Pranav Rajanikant Patel (PG)	1	183750	-	-	183750	2.50%	183750	-	183750	2.50%	-	2.50%	-	-	-	-	183750
13.	Mr. Rajnikant Jayntilal Barot (PG)	1	183750	-	-	183750	2.50%	183750	-	183750	2.50%	-	2.50%	-	-	-	-	183750
14.	Mr. Harshkumar Bhupendrabhai Kotak (PG)	1	183750	-	-	183750	2.50%	183750	-	183750	2.50%	-	2.50%	-	-	-	-	183750
15.	Mr. Dhrumil Dineshbhai Patel (PG)	1	147000	-	-	147000	2.00%	147000	-	147000	2.00%	-	2.00%	-	-	-	-	147000
16.	Mr. Dhaval Dineshkumar Patel (PG)	1	147000	-	-	147000	2.00%	147000	-	147000	2.00%	-	2.00%	-	-	-	-	147000
(b)	Central Government / State Government (s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>16</b>	<b>7350000</b>	-	-	<b>7350000</b>	<b>100.00%</b>	<b>7350000</b>	-	<b>7350000</b>	<b>100.00%</b>	-	<b>100.00%</b>	-	-	-	-	<b>7350000</b>
(2)	<b>Foreign</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoters and Promoters' Group (A)=(A)(1) +(A)(2)</b>	<b>16</b>	<b>7350000</b>	-	-	<b>7350000</b>	<b>100.00%</b>	<b>7350000</b>	-	<b>7350000</b>	<b>7350000</b>	-	<b>100.00%</b>	-	-	-	-	<b>7350000</b>

**Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.**

**Note:**

- PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s).
- The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- P= Promoter; PG= Promoter Group

**\*Numbers are rounded off upto two decimals**

**C. Table III - Statement showing shareholding pattern of the public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
								Class (eg: X)	Class (eg: Y)	Total									
<b>B1</b>	<b>Institutions (Domestic)</b>																		
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(g)	Asset reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total B1</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>B2</b>	<b>Institutions (Foreign)</b>																	
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors Category II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



(g)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total B2</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>B3</b>	<b>Central Government/ State Government(s)</b>																	
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total B3</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>B4</b>	<b>Non-Institutions</b>																	
(a)	Associate Companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(c)	Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Relatives of promoter (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital upto ₹ 2 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(h)	Resident Individuals holding share capital in excess of ₹ 2 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Non Resident Indians (NRIs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(m)	<b>Any Other (specify)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	HUF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-Resident Indian (NRI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Clearing Members	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total B4</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>B=B1+B2+B3+B4</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

**Note:**

1. PAN would not be displayed on website of Stock Exchange(s).
2. The above format needs to disclose name of all holders holding more than 1% of total number of shares
3. W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available

**D. Table IV - Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X)	Class (eg: Y)	Total								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit and Sweat Equity) Regulations, 2021)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

<b>Total Non-Promoter-Non-Public Shareholding (C)= (C)(1)+(C)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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- Note:**
- PAN would not be displayed on website of Stock Exchange(s).
  - The above format needs to disclose name of all holders holding more than 1% of total number of shares
  - W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

**E. Table V - Statement showing details of significant beneficial owners**

Sr No	Details of the significant beneficial owner (I)			Details of the registered owner (II)			Particulars of the shares in which significant beneficial interest is held by the beneficial owner (III)		Date of creation/acquisition of significant beneficial interest (IV)
	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	
N/A									

9. The shareholding pattern of our Promoters and Promoters' Group and public before and after the Issue:

Sr. No.	Name of shareholders	Pre-issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoters</b>					
1.	Mr. Manishbhai Girishbhai Patel	1837500	25.00%	1837500	17.91%
2.	Mr. Jigar Lallubhai Desai	1212750	16.50%	1212750	11.82%
3.	Mr. Parth Lallubhai Desai	1212750	16.50%	1212750	11.82%
4.	Mr. Jigneshkumar Dashrathlal Parekh	294000	4.00%	294000	2.87%
5.	Mr. Amitkumar Gopalbhai Patel	275625	3.75%	275625	2.69%
<b>Total - A</b>		<b>4832625</b>	<b>65.75%</b>	<b>4832625</b>	<b>47.10%</b>
<b>Promoter's Group</b>					
1.	Mr. Vijay Lalsingh Yadav	367500	5.00%	3,67,500	3.58%
2.	Mr. Chandresh Dashrathbharthi Swami	321566	4.38%	321566	3.13%
3.	Mr. Krunal Bhagvanbhai Patel	321559	4.37%	321559	3.13%
4.	Mr. Arvindkumar Ranchhodbhai Patel	294000	4.00%	294000	2.87%
5.	Ms. Arti Sanjeev Kumar	183750	2.50%	183750	1.79%
6.	Mr. Somesh Chandreshkumar Patani	183750	2.50%	183750	1.79%
7.	Mr. Pranav Rajanikant Patel	183750	2.50%	183750	1.79%
8.	Mr. Rajnikant Jayntilal Barot	183750	2.50%	183750	1.79%
9.	Mr. Harshkumar Bhupendrabhai Kotak	183750	2.50%	183750	1.79%
10.	Mr. Dhrumil Dineshbhai Patel	147000	2.00%	147000	1.43%
11.	Mr. Dhaval Dineshkumar Patel	147000	2.00%	147000	1.43%
<b>Total - B</b>		<b>2517375</b>	<b>34.25%</b>	<b>2517375</b>	<b>24.54%</b>
<b>Total Promoters &amp; Promoter Group Shareholding</b>		<b>7350000</b>	<b>100.00%</b>	<b>7350000</b>	<b>71.64%</b>
<b>Public</b>					
1.	Public in IPO	-	-	2910000	28.36%
<b>Total - C</b>		<b>-</b>	<b>-</b>	<b>2910000</b>	<b>28.36%</b>
<b>Total (A+B+C)</b>		<b>7350000</b>	<b>100.00%</b>	<b>10260000</b>	<b>100.00%</b>

10. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid-up Capital**#
1.	Mr. Manishbhai Girishbhai Patel	1837500	25.00%
2.	Mr. Jigar Lallubhai Desai	1212750	16.50%
3.	Mr. Parth Lallubhai Desai	1212750	16.50%
4.	Mr. Vijay Lalsingh Yadav	367500	5.00%
5.	Mr. Chandresh Dashrathbharthi Swami	321566	4.38%
6.	Mr. Krunal Bhagvanbhai Patel	321559	4.37%
7.	Mr. Jigneshkumar Dashrathlal Parekh	294000	4.00%
8.	Mr. Arvindkumar Ranchhodbhai Patel	294000	4.00%
9.	Mr. Amitkumar Gopalbhai Patel	275625	3.75%
10.	Ms. Arti Sanjeev Kumar	183750	2.50%
11.	Mr. Somesh Chandreshkumar Patani	183750	2.50%
12.	Mr. Pranav Rajanikant Patel	183750	2.50%
13.	Mr. Rajnikant Jayntilal Barot	183750	2.50%
14.	Mr. Harshkumar Bhupendrabhai Kotak	183750	2.50%
15.	Mr. Dhrumil Dineshbhai Patel	147000	2.00%
16.	Mr. Dhaval Dineshkumar Patel	147000	2.00%
<b>Total</b>		<b>7350000</b>	<b>100.00%</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

\*\*Rounded Off

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

**(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Red Herring Prospectus:**

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid-up Capital**#
1.	Mr. Manishbhai Girishbhai Patel	1837500	25.00%
2.	Mr. Jigar Lallubhai Desai	1212750	16.50%
3.	Mr. Parth Lallubhai Desai	1212750	16.50%
4.	Mr. Vijay Lalsingh Yadav	367500	5.00%
5.	Mr. Chandresh Dashrathbharthi Swami	321566	4.38%
6.	Mr. Krunal Bhagvanbhai Patel	321559	4.37%
7.	Mr. Jigneshkumar Dashrathlal Parekh	294000	4.00%
8.	Mr. Arvindkumar Ranchhodbhai Patel	294000	4.00%
9.	Mr. Amitkumar Gopalbhai Patel	275625	3.75%
10.	Ms. Arti Sanjeev Kumar	183750	2.50%
11.	Mr. Somesh Chandreshkumar Patani	183750	2.50%
12.	Mr. Pranav Rajanikant Patel	183750	2.50%
13.	Mr. Rajnikant Jayntilal Barot	183750	2.50%
14.	Mr. Harshkumar Bhupendrabhai Kotak	183750	2.50%
15.	Mr. Dhrumil Dineshbhai Patel	147000	2.00%
16.	Mr. Dhaval Dineshkumar Patel	147000	2.00%
<b>Total</b>		<b>7350000</b>	<b>100.00%</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

\*\*Rounded Off

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

**(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on One year prior to the date of the Red Herring Prospectus:**

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of then paid-up Capital**#
1.	Mr. Manishbhai Girishbhai Patel	200000	40.00%
2.	Mr. Jigar Lallubhai Desai	75000	15.00%
3.	Mr. Parth Lallubhai Desai	75000	15.00%
4.	Mr. Vijay Lalsingh Yadav	75000	15.00%
5.	Mr. Amitkumar Gopalbhai Patel	12500	2.50%
6.	Ms. Arti Sanjeev Kumar	12500	2.50%
7.	Mr. Somesh Chandreshkumar Patani	12500	2.50%
8.	Mr. Pranav Rajanikant Patel	12500	2.50%
9.	Mr. Rajnikant Jayntilal Barot	12500	2.50%
10.	Mr. Jigneshkumar Dashrathlal Parekh	12500	2.50%
<b>Total</b>		<b>500000</b>	<b>100.00%</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

\*\*Rounded Off

# the % has been calculated based on then existing Paid up Capital of the Company.

**(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on Two years prior to the date of the Red Herring Prospectus:**

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of then paid-up Capital**#
1.	Mr. Manishbhai Girishbhai Patel	200000	40.00%
2.	Mr. Jigar Lallubhai Desai	75000	15.00%
3.	Mr. Parth Lallubhai Desai	75000	15.00%
4.	Mr. Vijay Lalsingh Yadav	75000	15.00%
5.	Mr. Amitkumar Gopalbhai Patel	12500	2.50%
6.	Ms. Arti Sanjeev Kumar	12500	2.50%
7.	Mr. Somesh Chandreshkumar Patani	12500	2.50%
8.	Mr. Pranav Rajanikant Patel	12500	2.50%
9.	Mr. Rajnikant Jayntilal Barot	12500	2.50%
10.	Mr. Jigneshkumar Dashrathlal Parekh	12500	2.50%
<b>Total</b>		<b>500000</b>	<b>100.00%</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

\*\*Rounded Off

# The % has been calculated based on then existing Paid up Capital of the Company.

**11.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Red Herring Prospectus.

As on the date of filing the Red Herring Prospectus document, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

**12. Shareholding of the Promoters of our Company:**

As on the date of the Red Herring Prospectus, our Promoters Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh And Mr. Amitkumar Gopalbhai Patel holds total 4832625 Equity Shares respectively representing 65.75% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:



Mr. Manishbhai Girishbhai Patel								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre-Issue Capital	% of Post-issue Capital
On Incorporation	Subscription to Memorandum of Association	120000	120000	10	10	12,00,000	1.63%	1.17%
July 02, 2021	Right Issue in the ratio of 7:3	62500	182500	10	10	6,25,000	0.85%	0.61%
July 27, 2021	Transfer from Mr. Amitkumar Gopalbhai Patel	17500	200000	10	10	1,75,000	0.24%	0.17%
March 17, 2023	Transfer from Mr. Vijay Lalsingh Yadav	35000	235000	10	40	14,00,000	0.48%	0.34%
March 25, 2023	Transfer to Mr. Amitkumar Gopalbhai Shah	(6250)	228750	10	42	(2,62,500)	(0.09%)	(0.06%)
March 25, 2023	Transfer to Mr. Jignesh Dashrathlal Parekh	(7500)	221250	10	42	(3,15,000)	(0.10%)	(0.07%)
March 25, 2023	Transfer to Mr. Arvindkumar Ranchhodhbhai Patel	(20000)	201250	10	42	(8,40,000)	(0.27%)	(0.19%)
March 25, 2023	Transfer to Mr. Chandresh Dashrathbharthi Swami	(21875)	179375	10	42	(9,18,750)	(0.30%)	(0.21%)
March 25, 2023	Transfer to Mr. Dhrumil Dineshbhai Patel	(10000)	169375	10	42	(4,20,000)	(0.14%)	(0.10%)
March 25, 2023	Transfer to Mr. Harshkumar Bhupendrabhai Kotak	(12500)	156875	10	42	(5,25,000)	(0.17%)	(0.12%)
March 25, 2023	Transfer to Mr. Krunal Bhagwanbhai Patel	(21875)	135000	10	42	(9,18,750)	(0.30%)	(0.21%)
March 25, 2023	Transfer to Mr. Dhaval Dineshbhai Patel	(10000)	125000	10	42	(4,20,000)	(0.14%)	(0.10%)
April 22, 2023	Right Issue in the ratio of 55:50	137500	262500	10	100	1,37,50,000	1.87%	1.34%
September 04, 2023	Bonus Issue in the ratio of 6:1	1575000	1837500	10	Nil	Nil	21.43%	15.35%
<b>Total</b>		<b>1837500</b>				<b>1,25,30,000</b>	<b>25.00%</b>	<b>17.91%</b>

Mr. Amitkumar Gopalbhai Patel								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
On Incorporation	Subscription to Memorandum of Association	30000	30000	10	10	3,00,000	0.41%	0.29%
July 27, 2021	Transfer To Mr. Manishbhai Girishbhai Patel	(17500)	12500	10	10	(1,75,000)	(0.24%)	(0.17%)
March 25, 2023	Transfer from Mr. Manishbhai Girishbhai Patel	6250	18750	10	42	2,62,500	0.09%	0.06%
April 22, 2023	Right Issue in the ratio of 55:50	20625	39375	10	100	20,62,500	0.28%	0.20%

Mr. Amitkumar Gopalbhai Patel								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
September 04, 2023	Bonus Isse in the ratio of 6:1	236250	275625	10	Nil	Nil	3.21%	2.30%
<b>Total</b>		<b>275625</b>				<b>24,50,000</b>	<b>3.75%</b>	<b>2.69%</b>

Mr. Jigar Lallubhai Desai								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre- Issue Capital	% of Post issue Capital
July 02, 2021	Right Issue in the ratio of 7:3	75000	75000	10	10	7,50,000	1.02%	0.73%
March 17, 2023	Transfer from Mr. Vijay Lalsingh Yadav	7500	82500	10	40	3,00,000	0.10%	0.07%
April 22, 2023	Right Issue in the ratio of 55:50	90750	173250	10	100	90,75,000	1.23%	0.88%
September 04, 2023	Bonus Isse in the ratio of 6:1	1039500	1212750	10	Nil	Nil	14.14%	10.13%
<b>Total</b>		<b>1212750</b>				<b>1,01,25,000</b>	<b>16.50%</b>	<b>11.82%</b>

Mr. Parth Lallubhai Desai								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre- Issue Capital	% of Post issue Capital
July 02, 2021	Right Issue in the ratio of 7:3	75000	75000	10	10	7,50,000	1.02%	0.73%
March 17, 2023	Transfer from Mr. Vijay Lalsingh Yadav	7500	82500	10	40	3,00,000	0.10%	0.07%
April 22, 2023	Right Issue in the ratio of 55:50	90750	173250	10	100	90,75,000	1.23%	0.88%
September 04, 2023	Bonus Isse in the ratio of 6:1	1039500	1212750	10	Nil	Nil	14.14%	10.13%
<b>Total</b>		<b>1212750</b>				<b>1,01,25,000</b>	<b>16.50%</b>	<b>11.82%</b>

Mr. Jigneshkumar Dashrathlal Parekh								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre-Issue Capital	% of Post issue Capital
July 02, 2021	Right Issue in the ratio of 7:3	12500	12500	10	10	1,25,000	0.17%	0.12%
March 25, 2023	Transfer from Manishbhai Girishbhai Patel	7500	20000	10	42	3,15,000	0.10%	0.07%
April 22, 2023	Right Issue in the ratio of 55:50	22000	42000	10	100	22,00,000	0.30%	0.21%
September 04, 2023	Bonus Issue in the ratio of 6:1	252000	294000	10	Nil	Nil	3.43%	2.46%
<b>Total</b>		<b>294000</b>				<b>26,40,000</b>	<b>4.00%</b>	<b>2.87%</b>

13. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Mr. Manishbhai Girishbhai Patel	1837500	6.82
2.	Mr. Amitkumar Gopalbhai Patel	275625	8.89
3.	Mr. Jigar Lallubhai Desai	1212750	8.35
4.	Mr. Parth Lallubhai Desai	1212750	8.35
5.	Mr. Jigneshkumar Dashrathlal Parekh	294000	8.98

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by him to acquire Shares by way of allotment and Transfer as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

14. We have 16 (Sixteen) shareholders as on the date of filing of the Red Herring Prospectus.

15. As on the date of the Red Herring Prospectus, our Promoters and Promoters' Group hold total 7350000 Equity Shares representing 100% of the pre-issue paid up share capital of our Company.

16. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months.

Date of allotment / transfer	Name of allottee / transferee	Party category	No. of Equity Shares allotted / transferred	Face Value (₹)	Transfer Price (₹)	Nature of transaction
September 04, 2023	Mr. Manishbhai Girishbhai Patel	Promoter	1575000	₹ 10	Nil	Bonus Issue by Capitalization of Reserves
	Mr. Amitkumar Gopalbhai Patel	Promoter	236250			
	Mr. Jigar Lallubhai Desai	Promoter	1039500			
	Mr. Parth Lallubhai Desai	Promoter	1039500			
	Mr. Vijay Lalsingh Yadav	Promoter Group	315000			
	Ms. Arti Sanjeev Kumar	Promoter Group	157500			
	Mr. Somesh Chandreshkumar Patani	Promoter Group	157500			
	Mr. Pranav Rajanikant Patel	Promoter Group	157500			
	Mr. Rajnikant Jayntilal Barot	Promoter Group	157500			
	Mr. Jigneshkumar Dashrathlal Parekh	Promoter	252000			
	Mr. Arvindkumar Ranchhodhbhai Patel	Promoter Group	252000			
	Mr. Chandresh Dashrathbharthi Swami	Promoter Group	275628			
	Mr. Dhruvil Dineshbhai Patel	Promoter Group	126000			
	Mr. Harshkumar Bhupendrabhai Kotak	Promoter Group	157500			
	Mr. Krunal Bhagyanbhai Patel	Promoter Group	275622			
	Mr. Dhaval Dineshkumar Patel	Promoter Group	126000			

17. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Red Herring Prospectus.

**18. Details of Promoter's Contribution locked in for three years:**

Our Promoters Mr. Manishbhai Girishbhai Patel, Mr. Amitkumar Gopalbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai and Mr. Jigneshkumar Dashrathlal Parekh has given written consent to include 2055000 Equity Shares subscribed and held by him as a part of Minimum Promoters' Contribution constituting 20.03% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation

236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

***Explanation:*** The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of Minimum Promoters Contribution are as follows:

Mr. Manishbhai Girishbhai Patel									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution*	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
September 04, 2023	September 04, 2023	Allotment under Bonus Issue	781370	10	Nil	Other than Cash	10.63%	7.62%	3 years
<b>Total</b>			<b>781370</b>				<b>10.63%</b>	<b>7.62%</b>	

\* On September 04, 2023 total of 15,75,000 Bonus Equity Shares were allotted to Mr. Manishbhai Girishbhai Patel. However, for the purpose of minimum promoter contribution 7,81,370 Equity Shares are offered which will be locked in for a period of three years.

Mr. Amitkumar Gopalbhai Patel									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution*	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
September 04, 2023	September 04, 2023	Allotment under Bonus Issue	117205	10	Nil	Other than Cash	1.59%	1.14%	3 years
<b>Total</b>			<b>117205</b>				<b>1.59%</b>	<b>1.14%</b>	

\* On September 04, 2023 total of 2,36,250 Bonus Equity Shares were allotted to Mr. Amitkumar Gopalbhai Patel. However, for the purpose of minimum promoter contribution 1,17,205 Equity Shares are offered which will be locked in for a period of three years.

Mr. Jigar Lallubhai Desai									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution*	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
September 04, 2023	September 04, 2023	Allotment under Bonus Issue	515700	10	Nil	Other than Cash	7.02%	5.03%	3 years
<b>Total</b>			<b>515700</b>				<b>7.02%</b>	<b>5.03%</b>	

\* On September 04, 2023 total of 10,39,500 Bonus Equity Shares were allotted to Mr. Jigar Lallubhai Desai. However, for the purpose of minimum promoter contribution 5,15,700 Equity Shares are offered which will be locked in for a period of three years.

Mr. Parth Lallubhai Desai									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution*	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
September 04, 2023	September 04, 2023	Allotment under Bonus Issue	515705	10	Nil	Other than Cash	7.02%	5.03%	3 years
<b>Total</b>			<b>515705</b>				<b>7.02%</b>	<b>5.03%</b>	

\* On September 04, 2023 total of 10,39,500 Bonus Equity Shares were allotted to Mr. Parth Lallubhai Desai. However, for the purpose of minimum promoter contribution 5,15,700 Equity Shares are offered which will be locked in for a period of three years.

Mr. Jigneshkumar Dashrathlal Parekh									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution*	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
September 04, 2023	September 04, 2023	Allotment under Bonus Issue	125020	10	Nil	Other than Cash	1.70%	1.22%	3 years
<b>Total</b>			<b>125020</b>				<b>1.70%</b>	<b>1.22%</b>	

\* On September 04, 2023 total of 2,52,000 Bonus Equity Shares were allotted to Mr. Jigneshkumar Dashrathlal Parekh. However, for the purpose of minimum promoter contribution 1,25,020 Equity Shares are offered which will be locked in for a period of three years.



All the Equity Shares held by the Promoters / members of the Promoters' Group are in already dematerialized as on date of this Red Herring Prospectus. – **Complied with.**

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offer to the public in initial public offer is ineligible for minimum promoters' contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management:

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; **Not Applicable**

#### **19. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:**

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 2777625 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

#### **20. Lock in of Equity Shares held by Persons other than the Promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 2517375 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

#### **21. Inscription or recording of non-transferability:**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

#### **22. Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

#### **23. Transferability of Locked in Equity Shares:**

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

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
  - The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
24. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
  25. As on date of the Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
  26. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.
  27. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
  28. There are no safety net arrangements for this public issue.
  29. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
  30. As per RBI regulations, OCBs are not allowed to participate in this offer.
  31. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
  32. There are no Equity Shares against which depository receipts have been issued.
  33. As on date of the Red Herring Prospectus, other than the Equity Shares, there are is no other class of securities issued by our Company.
  34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
  35. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
  36. Since present issue is a Book Built Issue, the allocation in the net offer to the public category in terms of Regulation 253(1) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
    - (a). not less than thirty-five per cent to Retail Individual Investors;
    - (b). not less than fifteen per cent to Non-Institutional Investors;
    - (c). not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds

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

Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.
  37. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
  38. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
  39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
  40. Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Mr. Manishbhai Girishbhai Patel	Chairman and Executive Director	1837500	25.00%	17.91%
2.	Mr. Parth Lallubhai Shah	Executive Director and Chief Financial Officer	1212750	16.50%	11.82%
3.	Mr. Jigneshkumar Dashrathlal Parekh	Whole-Time director	294000	4.00%	2.87%
4.	Mr. Amitkumar Gopalbhai Patel	Managing Director	275625	3.75%	2.69%
5.	Mr. Jay Deepakbhai Khatnani	Independent Director	NIL	NIL	NIL
6.	Mrs. Bhavisha Kunal Chauhan	Independent Director	NIL	NIL	NIL
7.	Mr. Aayush Kamleshbhai Shah	Independent Director	NIL	NIL	NIL
8.	Mr. Sumitkumar Hareshbhai Patel	Independent Director	NIL	NIL	NIL
9.	Mrs. Charmi Vansh Shah	Company Secretary and Compliance Officer	NIL	NIL	NIL

## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of 2910000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share.

#### FRESH ISSUE

The Issue Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Working Capital Requirements
2. General corporate purposes
3. To meet Public Issue Expenses

*(Collectively referred as the “objects”)*

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.



Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941.

Promoters of our company are Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh and Mr. Amitkumar Gopalbhai Patel. While Mr. Manishbhai Girishbhai Patel and Mr. Amitkumar Gopalbhai Patel were associated with the company since its incorporation. Mr. Jigneshkumar Dashrathlal Parekh, Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai joined our company by acquisition of equity shares in 2021. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from mobile handsets, mobile accessories and other consumer durable home appliances such as Smart TVs, Laptop, Air condition etc. Our promoters have combined experience of more than 30 years in the retail distribution, sales and marketing industry, which is the driving force behind the growth achieved by the company.

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

We operate our retail business with multiple brands. We have a portfolio of retail stores with different brands. We initially started our business operations with brand “**Fonebox**”, for our company owned stores as well as franchise stores. Further, we acquired famous mobilephone retail store brands such as “**Fonebook**” and “**My Mobile**” vide Business Purchase agreements from their respective owners in the year 2021.

Over the years, we have grown our business by focusing on our brands as well as acquiring existing business of other retail brands. In February 2021, we started our business operations with 2 stores with name “Fonebox” in FY 2021 achieving a turnover of around 9.92 lakhs in one month of operation. Besides growing our owned brand “Fonebox”, we focused on inorganic growth by acquiring brands and business of existing stores in FY 2022. We acquired 49 stores under different brand names namely “Fonebook” and “My Mobile” in FY 2022. After acquisition of the brand “Fonebook” we started 11 new stores under the same brand name. As on January 05, 2024 we operate a total of 143 stores. Brand and store acquisition has aided our growth inorganically, along side we have developed our business by improving business of the existing stores and opening new stores simultaneously. For more detail of said transaction, please refer to heading titled “Major events” in the chapter titled “*History and Corporate Matters*” beginning on page 161 of this Red Herring Prospectus.

We mainly operate under the brand name of  and . As on January 05, 2024 we operate from total 143 stores across the state of Gujarat. Out of 143 stores 39 stores are Company Owned and Company Operated retail outlets (“COCO Model”) and 104 stores are under Franchise Owned and Company Operated retail model (“FOCO Model”) distributed in more than 20 cities in Gujarat.

## REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹[●]- Lakhs (the “Net Issue Proceeds”).

The following table summarizes the requirement of funds:

(Amount in ₹ Lakhs)

Particulars	Amount
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses	[●]
<b>Net Issue Proceeds</b>	<b>[●]</b>

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

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

(Amount in ₹ Lakhs)

Sr. No.	Particulars	Amount	% of Gross Issue* Proceeds
1.	To Meet Working Capital Requirements*	1,350.00	[●]
2.	General corporate purposes#	[●]	[●]
	<b>Net Issue Proceeds</b>	<b>[●]</b>	<b>[●]</b>

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

#The amount to be utilised for general corporate purposes will not exceed 25% of the gross proceeds from the Offer.

## MEANS OF FINANCE

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

(Amount in ₹ Lakhs)

Sr. No	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/Reserves/ Security Deposits	Balance from Long/Short Term Borrowing/ Unsecured Borrowings
1.	To Meet Working Capital Requirements	4,849.94	1,350.00	2,829.94	670.00
2.	General corporate purposes	[●]	[●]	0.00	0.00
3.	Public Issue Expenses	[●]	[●]	0.00	0.00
	<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>2,829.94</b>	<b>670.00</b>

Based on above, we hereby confirm that we are in compliance with provision Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

Our company collects Deposit from various Franchisee at the timing of opening of New Branch under Franchisee model. Deposit amount ranges between ₹ 0.50 lakh to ₹50 lakhs for majority of franchise and average tenure of agreement with Franchisee ranges between one year to five years. As on September 30, 2023 credit towards deposits from franchise is ₹1,530.10 lakhs. Such Deposit amount remains with company until Franchise agreement is terminated by either party or at time of completion of Franchise agreement unless extended. Therefore, for the Deposit received from Franchise is considered firm arrangement.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in Internal / external circumstances or costs or other financial conditions and other factors. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of secured loan outstanding as on date of Red Herring Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled "*Risk Factors*" beginning on page 27 of this Red Herring Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. WORKING CAPITAL REQUIREMENTS:

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus..

We operate our retail business with multiple brands. We have a portfolio of retail stores with different brands. We initially started our business operations with brand "*Fonebox*", for our company owned stores as well as franchise stores. Further, we acquired famous mobilephone retail store brands such as "*Fonebook*" and "*My Mobile*" vide Business Purchase agreements from their respective owners in the year 2021.

Over the years, we have grown our business by focusing on our brands as well as acquiring existing business of other retail brands. In February 2021, we started our business operations with 2 stores with name "*Fonebox*" in FY 2021 achieving a turnover of around 9.92 lakhs in one month of operation. Besides growing our owned brand "*Fonebox*", we focused on inorganic growth by acquiring brands and business of existing stores in FY 2022. We acquired 49 stores under different brand names namely "*Fonebook*" and "*My Mobile*" in FY 2022. After acquisition of the brand "*Fonebook*" we started 11 new stores under the same brand name. As on January 05, 2024 we operate a total of 143 stores. Brand and store acquisition has aided our growth inorganically, along side we have developed our business by improving business of the existing stores and opening new stores simultaneously. For more detail of said transaction, please refer to heading titled "Major events" in the chapter titled "*History and Corporate Matters*" beginning on page 161 of this Red Herring Prospectus.

We primarily sell smart mobile handsets of all the major brands, accessories for the mobile handsets, tablets, data cards and other consumer durable electronics goods under one roof. Out of 143 stores 39 stores are company owned retail stores ("*COCO Model*") and 104 stores are under franchise owned and company operated retail model ("*FOCO Model*") distributed in more than 20 cities in Gujarat.

Our company requires incremental working capital for FY 2023-24 and FY 2024-25. As on March 31, 2023, Net Working Capital requirement of our Company on restated basis was ₹1,968.87 Lakhs and as on March 31, 2022, it was ₹593.93 Lakhs as against that of ₹32.08 Lakhs as on March 31, 2021. The Net Working capital requirements for the FY 2023-24 and FY 2024-25 is estimated to be ₹3,503.81 Lakhs and ₹4,849.94 Lakhs respectively. The Company will meet the requirement to the extent of ₹670.00 Lakhs from Short Term Borrowing, ₹1,350.00 Lakhs from the Net Proceeds of the Issue, ₹ 1,375.00 Lakhs from Security Deposits and balance will be utilized from internal accruals at an appropriate time as per the requirement.

Basis of estimation of working capital requirement and estimated working capital requirement

(Amount in ₹ Lakhs)

Particulars	Projected		On Restated Basis		
	31-Mar-25	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21
<b>Current Assets</b>					
<b>Inventories</b>					
• Stock in Trade	4,760.00	3,649.68	2,290.20	1,052.15	15.81
Trade receivables	1,062.50	588.17	317.93	227.22	0.00
Cash and Bank Balance	112.91	97.66	91.86	44.54	41.52
Loans and Advances including Long-Term	892.71	784.32	672.65	358.84	3.43
Other Assets	8.06	6.45	5.16	3.81	5.71
<b>Total Current Assets (A)</b>	<b>6,837.22</b>	<b>5,127.31</b>	<b>3,377.80</b>	<b>1,686.56</b>	<b>66.47</b>
<b>Current Liabilities</b>					
Trade payables	1,861.76	1,551.47	1,292.89	1,068.12	33.98
Other liabilities (Including Non-Current)	72.58	58.06	46.45	10.22	0.12
Short-term provisions	51.90	12.94	69.59	14.29	0.28
<b>Total Current Liabilities (B)</b>	<b>1,986.24</b>	<b>1,622.47</b>	<b>1,408.93</b>	<b>1,092.63</b>	<b>34.39</b>
<b>Net Working Capital (A-B)</b>	<b>4,849.94</b>	<b>3,503.81</b>	<b>1,968.87</b>	<b>593.93</b>	<b>32.08</b>
<b>Sources of Funds</b>					
Short Term Borrowing	670.00	670.00	399.98	49.88	-
Unsecured Loan	-	-	185.02	110.44	-
Internal Accruals/Existing Net worth/ Security Deposits	2,829.94	2,333.81	1,383.87	433.61	32.08
Proceeds from IPO	1,350.00	500.00	0.00	0.00	0.00
<b>Total</b>	<b>4,849.94</b>	<b>3,503.81</b>	<b>1,968.87</b>	<b>593.93</b>	<b>32.08</b>

#### Justification / Assumptions for working capital requirements

Particulars	Holding level (in Months/ Days)				
	FY24-25 (Projected)	FY23-24 (Projected)	FY22-23 (Restated)	FY 21-22 (Restated)	FY 20-21 (Restated)
<b>Current Assets</b>					
Trade Receivables	0.23 Months (5-7 Days)	0.17 Months (4-5 Days)	0.17 Months (4-5 Days)	0.15 Months (3-4 Days)	0.00 Months (0 Days)
<b>Inventory</b>					
Stock in Trade	1.24 Months (35-37 Days)	1.14 Months (32-35 Days)	1.06 Months (30-32 Days)	0.69 Months (20-22 Days)	7.50 Months (220-225 Days)
<b>Current Liabilities</b>					
Trade Payables	0.49 Months (13-15 Days)	0.54 Months (14-16 Days)	0.74 Months (20-22 Days)	0.73 Months (20-22 Days)	16.70 Months (500-505 Days)

#### Justification for Holding Period:

- **Stock in Trade:** As our business is High-volume and Low margin business, we are required to have variety of stock in order to attract more consumers in our stores, which is directly linked to our revenue from operations. In order to attract more consumers, we procure stock in bulk basis in order to avail discounts on the same purchase. Stock in Trade including holding period for FY 2024-25 is based on Stock in Trade holding period for FY 2023-24. In order to ensure Uninterrupted working, our Company anticipates inventory days at 1.24 Months (Approx. 35-37 Days) and 1.14 month (Approximately 32-35 Days) for FY 2023-24.
- **Trade Receivables:** Trade receivables are amount owed to Company by customers following sale of goods on credit. As our company is engaged in the business of retail sales of mobile phones and other electrical accessories, credit period given to customer is negligible. However, in some exceptional cases, we grant credit period to our customers which ranges from 4-5 days. Our Company has estimated average trade receivable cycle to be 0.17 Months

(Approximately 4-5 Days) in FY 2023-24 and 0.23 Months (Approx. 5-7 Days) in 2024-25 to meet expected turnover for FY 2023-24 and 2024-25, respectively. to streamline credit period given to our customers.

- Trade Payables:** Trade payables include dues to micro and small enterprises and other creditors. As our business is High-volume and Low margin business, we are required to have variety of stock in order to attract more consumers in our stores, which is directly linked to our revenue from operations. For which we need to procure stock in bulk basis in order to avail better credit terms from our suppliers and discounts on the same purchases. Trade Payable Cycle is estimated to be at 0.54 Months (Approximately 14-16 Days) days which is based on trade payable cycle of FY 2022-23 to expected credit cycle from vendors in FY 2023-24. The same estimate for the FY 2024-25 is 0.49 Months (Approx. 13-15 Days). Our company expects credit period cycle of Approximately 13-16 days for FY 2023-24 and 2024-25 in order to avail the discounts from vendors and negotiate better deals.

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below:

Cash and Cash Equivalents	Cash and cash equivalents include balances in current account with scheduled bank, Bank Balance in Credit & Wallet balance and cash in hand. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company.
Loans and Advances	Loans and advances mainly include Advance to creditors, Balance with Govt Authority and Loans & Advances to Employee. Loans and advances is estimated based on previous years outstanding amount and for expected Business requirement of company.
Other Assets	Other Current Assets mainly include Prepaid expenses, Insurance Claim receivable and Interest receivable. Other Current Assets is for expected Business requirement of company.
Other liabilities	Other Liabilities mainly include Advance from customers, statutory liabilities, Security deposits. Other current liabilities are estimated based on previous years outstanding amount and for expected Business requirement of company.
Short-term provisions	Short-term provisions mainly include Provision for income tax, provision of gratuity expenses, Provision for Nexxa warranty claim and provision of other expenses. Short-term provisions is estimated based on previous years outstanding amount and for expected Business requirement of company.

#### JUSTIFICATION FOR INCREASE IN WORKING CAPITAL REQUIREMENT FOR ACTUAL AS WELL AS PROJECTED PERIOD

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multibrand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi , Realme, OnePlus.

As on January 05, 2024, we operate through 143 stores consisting of 39 company owned stores (“COCO Model”) and 104 Franchise operated stores (“FOCO Model”) distributed in more than 20 cities in Gujarat. Such large number of stores need to maintain a significant amount of inventory to meet the demands of various locations. Each store requires a certain level of stock to serve customers effectively. This inventory ties up a substantial portion of working capital. In order to effectively manage the stock and to avail better pricing advantage, we require to maintain sufficient inventory level at all times to meet the demand of our consumers. Also, in order to maintain sufficient stock, we provide advance to suppliers in order to avail better discounts and availability of stock. Brief details of the same along with numeric data is presented below:

Particulars	Projected		On Restated Basis		
	31-Mar-25	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21
Stock in Trade (In ₹ Lakhs)	4,760.00	3,649.68	2,290.20	1,052.15	15.81
Change in Inventory (In ₹ Lakhs)	1,110.32	1,359.48	1,238.05	1,036.34	-



Stock in Trade (In Months)	1.24	1.14	1.06	0.69	7.50
Change in Months	0.10	0.08	0.37	(6.81)	

As mentioned above, Substantial portion of our working capital requirement is due to high inventory level which we are required to maintain due to nature of our business. It is evident from the above-mentioned table that the company has to maintain an inventory cycle of average of 30 days over the years which aligns with the company's revenue growth.

Our Retail stores offers wide range of products, including different models of smartphones, tablets, accessories, and related gadgets to cater to a diverse customer base with varying preferences and needs, having a substantial inventory is necessary. Having a well-stocked inventory ensures that customers can find the specific brand, model, or accessory they are looking for resulting into satisfaction of customer demands and increasing sales. Further, maintaining inventory in bulk also allows us to avail better pricing which allows us to avail the benefit of Economies of scale, improving our profit margins. Having well-stocked inventory also mitigate our risk against stockouts, technological shifts and supplier's constraints.

Our Historical inventory level as disclosed above is at upward trend from ₹15.81 Lakhs in FY 2020-21 to ₹1,052.15 Lakhs in FY 2021-22, showing an increase of ₹1,036.34 Lakhs as number of stores of business operations expanded in FY 2021-22. Further, Inventory stands out at ₹2,290.20 Lakhs in FY 2022-23 compared to ₹1,052.15 Lakhs in FY 2021-22, showing increase of ₹1,238.05 Lakhs. We have estimated inventory level of ₹3,649.68 Lakhs in FY 2023-24 resulting into holding period of 1.14 months (32-35 Days) showing an increase of ₹1,359.48 Lakhs from inventory level as on FY 2022-23. While for FY 2024-25, we have estimated inventory level of ₹4,760.00 Lakhs with holding period of 1.24 Months (35-37 Days) with increase of ₹1,110.32 Lakhs from previous year's inventory level.

Having multiple stores at multiple locations also tends to high operational costs like Rent Deposits, Electricity expenses, Insurance and other operational expenses. These expenses also impact our working capital requirement and we require adequate working capital on hand in order to cover such expenses.

We have estimated our working capital requirement for FY 2023-24 to be ₹3,503.81 Lakhs out of which ₹500.00 to be funded from Issue proceeds, while for FY 2024-25 our working capital requirement to be ₹4,849.94 Lakh, out of which ₹1350.00 Lakhs to be funded from Issue proceeds, as we plan to further expand our business model to more and more Tier-2 and Tier-3 cities.

## 2. GENERAL CORPORATE PURPOSE:

We propose to utilize ₹ [●]- Lakhs of the Net Proceeds towards general corporate purposes as approved by the Board, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds Issue Proceeds, in compliance with the SEBI ICDR Regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- acquisition/hiring of land/property for building up corporate house,
- hiring human resources including marketing people or technical people in India or abroad,
- we may also enter into strategic alliances with other body corporates for expansion of our business in abroad or in India.
- funding growth opportunities;
- servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- working capital;
- meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- strategic initiatives and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 3. ISSUE RELATED EXPENSES

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

Expenses	Expenses (₹ In Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Book Running Lead Manger Fees including Underwriting Commission	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Legal Advisor	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Market Maker (for Two Years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00</b>	[●]

**Notes:**

- Up to January 15, 2024, Our Company has deployed/incurred expense of ₹ 13.16 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Peer Reviewed Auditor M/s. S V J K & Associates, Chartered Accountants vide its certificate dated January 16, 2024, bearing UDIN: 24193591BKAFHS2476.
- Any expenses incurred towards aforesaid issue related expenses during the period from January 01, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
 Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 ^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No:

SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

(Amount in ₹ Lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Issue Proceeds	Amount to be funded from Internal Accruals	Amount already deployed	Estimated Utilization of Net Proceeds (Upto Financial year 2023-24)*\$	Estimated Utilization of Net Proceeds (Upto Financial year 2024-25)*\$
1.	To Meet Working Capital Requirements	4,849.94	1,350.00	2,829.94	0.00	500.00	1,350.00
2.	General Corporate Purpose	[•]	[•]	0.00	0.00	[•]	[•]

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

\$Due to Business exigency, Use of issue may be interchangeable.

### APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Issue.

### INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

### MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹10,000/- Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### VARIATION IN OBJECTS

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

#### **OTHER CONFIRMATIONS**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The issue price has been determined by the issuer in consultation with the Book Running Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Financial Information" on page 27 and 198, respectively of this Red Herring Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

- Experienced Promoters and Management Team
- Widespread distribution network
- Wide range of Products
- Strategic location and facilities

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page 127 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

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

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

#### Weighted Average

Financial Year/Period	Basic and Diluted EPS (in ₹) #	Weights
Financial Year ended March 31, 2021	(0.04)	1
Financial Year ended March 31, 2022	0.19	2
Financial Year ended March 31, 2023	2.35	3
<b>Weighted Average</b>	<b>1.23</b>	
For the period ended September 30, 2023	2.13*	

\*Not Annualised

#### **Notes:**

- *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e., sum of (EPS x Weight) for each year / Total of weights.*
- *Basic and diluted EPS are based on the Restated Financial Information.*
- *The face value of each Equity Share is ₹10.*
- *The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on September 04, 2023 in the ratio of 6:1 i.e., 6 (Six) Equity Shares for every 1 (One) Equity Share held*

#### Simple Average

Financial Year/Period	Basic and Diluted EPS (in ₹)
Financial Year ended March 31, 2021	(0.04)
Financial Year ended March 31, 2022	0.19
Financial Year ended March 31, 2023	2.35
<b>Weighted Average</b>	<b>0.83</b>
Period ended September 30, 2023*	2.13

\* Not Annualized

#### **Notes:**

- *Weighted average = Aggregate of year-wise EPS divided by the aggregate of years i.e., sum of (EPS) for each year / Total No. of Years.*
- *Basic and diluted EPS are based on the Restated Financial Information.*
- *The face value of each Equity Share is ₹10.*

*The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on September 04, 2023 in the ratio of 6:1 i.e., 6 (Six) Equity Shares for every 1 (One) Equity Share held*

## 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Earnings Per Share}}$$

Particulars	EPS (in ₹)	P/E at the Floor Price (No. of times)	P/E at the Cap Price (No. of times)
Based on EPS of Financial Year ended March 31, 2023	2.35	[●]	[●]
Based on Weighted Average EPS	<b>1.23</b>	[●]	[●]
Based on Simple Average EPS	0.83	[●]	[●]
Based on EPS of period ended on September 30, 2023	2.13	[●]	[●]

### Industry PE:

Particulars	P/E Ratio
Highest	71.73
Lowest	25.10
Average	48.41

(Based on Peer Data presented in point 5 below)

## 3. Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2021	(19.10%)	1
Financial Year ended March 31, 2022	21.24%	2
Financial Year ended March 31, 2023	76.15%	3
<b>Weighted Average</b>	<b>41.97 %</b>	
Period ended September 30, 2023*	<b>16.93%</b>	

\* Not Annualized

### Notes:

- *Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e., [(Net Worth x Weight) for each year] / [Total of weights]*
- *Return on Net Worth (%) = Net profit after tax without giving impact of exceptional items, as restated / Net worth as restated as at period/year end.*
- *Net worth means the aggregate value of the paid-up share capital of the Company and all reserves created out of profits and securities premium account reduced by preliminary expenses, if any as per Restated Financial Statement of Assets and Liabilities of the Company*

## 4. Net Asset Value per Equity Share:

Restated Net Asset Value per equity share (₹) =  $\frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

Particular	Amount (in ₹)
Financial Year ended March 31, 2021 (Post Bonus)	8.25
Financial Year ended March 31, 2022 (Post Bonus)	12.05
Financial Year ended March 31, 2023 (Post Bonus)	42.05
For the Period ended September 30, 2023 (Post Bonus)	12.47
NAV per Equity Share after the Issue	[●]
Issue Price per Equity Share	[●]

**Notes:**

- Issue Price per equity share has been determined by our Company, in consultation with the Book Running Book Running Lead Managers.
- Net asset value per share = Net worth as restated / Number of equity shares as at period/ year end.
- The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on September 04, 2023 in the ratio of 6:1 i.e., 6 (Six) Equity Shares for every 1 (One) Equity Share held

**5. Comparison of Accounting Ratios with Peer Group Companies:**

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹)@	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
Fonebox Retail limited	Standalone	10.00	[●]	2.35	[●]	76.15%	42.05	19,582.60
<b>Peer Group*</b>								
Jay Jalaram Technologies Limited ^	Standalone	10.00	182.90	2.55	71.73	10.62%	21.22	24,920.48
Bhatia Communications & Retail (India) Limited ^	Standalone	1.00	17.02	0.68	25.10	15.55%	4.36	31,348.18

**Notes:**

- (1) The EPS, P/E Ratio, NAV, RoNW and revenue from operations of Fonebox Retail Limited are taken as per Restated Financial Statement for the FY 2023.
- (2) P/E Ratio has been computed based on the closing market price of equity shares on the BSE/NSE on March 31, 2023 divided by the Basic EPS.
- (3) RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus reduced by preliminary expenses.
- (4) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

@ Current Market Price (CMP) is taken as the closing price of respective scripts as on March 31, 2023 at NSE & BSE, as applicable. For our Company, Current Market Price is taken same as issue price of equity share.

^ The Figures as at March 31, 2023 and are taken from the financial results uploaded on respective Stock Exchange(s)

6. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

The Issue Price of ₹ [●]/- is determined by our Company in consultation with the Book Running Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled

“Business Overview” and “Restated Financial Information” beginning on pages 27, 127 and 198 respectively of this Red Herring Prospectus.

### KEY PERFORMANCE INDICATORS (“KPIs”)

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 16, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. S V J K & Associates, by their certificate dated January 16, 2024.

The KPIs of our Company have been disclosed in the sections “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 127 and 200, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 2.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price

### KPIs OF OUR COMPANY

Particulars	For the Period/Year ended on			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	13975.84	19582.60	9090.74	9.92
Growth in Revenue from Operations (YoY %)	NA	115.41	91525.93	NA
Gross Profit (₹ in Lakhs)	1380.32	1913.16	818.19	0.43
Gross Profit Margin (%)	9.88	9.77	9.00	4.35
EBITDA (₹ in Lakhs)	239.00	346.24	83.90	(2.29)
EBITDA Margin (%)	1.71	1.77	0.92	(23.04)
Profit After Tax (₹ in Lakhs)	155.19	159.86	12.79	(2.36)
PAT Margin (%)	1.11	0.82	0.14	(23.84)
RoE (%)	27.54	118.20	35.24	(38.21)
RoCE (%)	18.81	34.55	17.02	(36.99)
Net Fixed Asset Turnover (In Times)	30.44	43.65	42.45	2.28
Net Working Capital Days	51	16	(2)	970
Operating Cash Flows (₹ in Lakhs)	(714.95)	(524.68)	90.66	6.88

**Source: The Figure has been certified by our Peer Reviewed Auditors M/s. S V J K & Associates Chartered Accountants vide their certificate dated January 16, 2024 bearing UDIN: 24193591BKAFHW8923**

#### Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Construction Expenses, Purchase of stock in trade goods, Changes in inventories of finished goods, work-in-progress and stock in trade.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.



- 5) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses reduced by other income.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing, Short-Term Borrowing and Deferred Tax Liability/(Deferred Tax Asset).
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of property, plant and equipment and capital work-in-progress and intangible assets.
- 12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
- 13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Statements.

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.
Gross Profit (₹ in Lakhs)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured by the Company.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Fixed Asset Turnover (In Times)	Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.
Net Working Capital Days	Net working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows provides how efficiently our company generates cash through its core business activities.
Revenue split between different verticals of company	This metric enables us to track the progress of our revenues in the different verticals of the company.

KPI	Explanations
Contribution to revenue from operations of top 1 / 3 / 5 /10	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.

**COMPARISON OF KPIs OF OUR COMPANY AND OUR LISTED PEERS:**

Particulars	Fonebox Retail Limited				Jay Jalaram Technologies Limited				Bhatia Communications & Retail (India) Limited			
	For the Period/Year ended				For the Period/Year ended				For the Period/Year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	13975.84	19,582.60	9,090.74	9.92	21606.20	24,920.48	16,525.90	12,145.87	19142.53	31,348.18	23,347.17	17,292.18
Growth in Revenue from Operations (%)	NA	115.41	91,525.93	NA	NA	50.80	36.06	NA	NA	34.27	35.02	NA
Gross Profit (₹ in Lakhs)	1380.32	1,913.16	818.19	0.43	1999.14	2,728.57	1605.20	1166.04	601.45	(62.12)	443.94	275.42
Gross Profit Margin (%)	9.88	9.77	9.00	4.35	9.25	10.95	9.71	9.60	3.14	(0.20)	1.90	1.59
EBITDA (₹ in Lakhs)	239.00	346.24	83.90	(2.29)	251.20	468.86	309.29	160.01	(332.52)	(1,645.85)	(873.60)	(914.70)
EBITDA Margin (%)	1.71	1.77	0.92	(23.04)	1.16	1.88	1.87	1.32	(1.74)	(5.25)	(3.74)	(5.29)
Profit After Tax (₹ in Lakhs)	155.19	159.86	12.79	(2.36)	64.76	250.95	84.88	36.70	604.82	848.63	527.26	374.49
PAT Margin (%)	1.11	0.82	0.14	(23.84)	0.30	1.01	0.51	0.30	3.16	2.71	2.26	2.17
RoE (%)	27.54	118.20	35.24	(38.21)	2.70	14.61	14.78	64.25	10.50	16.84	12.08	9.40
RoCE (%)	18.81	34.55	17.02	(36.99)	6.94	14.83	16.35	16.34	12.92	20.22	14.85	13.14
Net Fixed Asset Turnover (In Times)	30.44	43.65	42.45	2.28	29.85	35.22	22.74	22.87	24.06	41.80	34.30	26.75
Net Working Capital Days	51	16	(2)	970	85	60	46	34	83	43	41	41
Operating Cash Flows (₹ in Lakhs)	(714.95)	(524.68)	90.66	6.88	(582.73)	(1181.24)	(280.75)	241.05	(229.86)	822.99	(70.61)	178.98

Source: The Figure has been certified by our Peer Reviewed Auditors M/s. S V J K & Associates Chartered Accountants vide their certificate dated January 16, 2024 bearing UDIN: 24193591BKAFHW8923

## WEIGHTED AVERAGE COST OF ACQUISITION:

### a) The Price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).

There have been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days except as disclosed below:

The details of allotment of 5,50,000 Equity shares under Right Issue at an Issue Price of ₹ 100.00/- including premium of ₹ 90.00/- made on April 22, 2023, by way of Right Issue, in the ratio of 55:50 i.e., 55 (Fifty-Five Only) New Equity Shares for every 50 (Fifty Only) Equity Shares held on April 14, 2023 are as follows

Name of Allotees	No. of Securities	Face value (₹)	Issue Price Per security (₹)	Nature of consideration	Total Consideration (in ₹)
Mr. Manishbhai Girishbhai Patel	137500	10	100	Cash	1,37,50,000.00
Mr. Amitkumar Gopalbhai Patel	20625	10	100	Cash	20,62,500.00
Mr. Jigar Lallubhai Desai	90750	10	100	Cash	90,75,000.00
Mr. Parth Lallubhai Desai	90750	10	100	Cash	90,75,000.00
Mr. Vijay Lalsingh Yadav	27500	10	100	Cash	27,50,000.00
Ms. Arti Sanjeev Kumar Rai	13750	10	100	Cash	13,75,000.00
Mr. Somesh Chandreshkumar Patani	13750	10	100	Cash	13,75,000.00
Mr. Pranav Rajanikant Patel	13750	10	100	Cash	13,75,000.00
Mr. Rajnikant Jayntilal Barot	13750	10	100	Cash	13,75,000.00
Mr. Jignesh Dashrathlal Parekh	22000	10	100	Cash	22,00,000.00
Mr. Arvindkumar Ranchhodbhai Patel	22000	10	100	Cash	22,00,000.00
Mr. Chandresh Dashrathbharthi Swami	24063	10	100	Cash	24,06,300.00
Mr. Dhruvil Dineshbhai Patel	11000	10	100	Cash	11,00,000.00
Mr. Harshkumar Bhupendrabhai Kotak	13750	10	100	Cash	13,75,000.00
Mr. Krunal Bhagwanbhai Patel	24062	10	100	Cash	24,06,200.00
Mr. Dhaval Dineshbhai Patel	11000	10	100	Cash	11,00,000.00
<b>Total</b>	<b>550000</b>				<b>5,50,00,000.00</b>
<b>Weighted average cost of acquisition (WACA)</b>					<b>₹ 100.00</b>

### b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).

The Details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days are disclosed below:

Sr No	Date of Transfer	Name of Transferor/ Transferee	Number of Security	Nature of Consideration	Face Value per Equity Shares (in ₹)	Transfer Price per Equity Shares (in ₹)	Total Consideration (in ₹)
1.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Amitkumar Gopalbhai Patel	6250	Cash	10	42	2,62,500.00

Sr No	Date of Transfer	Name of Transferor/ Transferee	Number of Security	Nature of Consideration	Face Value per Equity Shares (in ₹)	Transfer Price per Equity Shares (in ₹)	Total Consideration (in ₹)
2.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Jignesh Dashrathlal Parekh	7500	Cash	10	42	3,15,000.00
3.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Arvindkumar Ranchhodbhai Patel	20000	Cash	10	42	8,40,000.00
4.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Chandresh Dashrathbharthi Swami	21875	Cash	10	42	9,18,750.00
5.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Dhrumil Dineshbhai Patel	10000	Cash	10	42	4,20,000.00
6.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Harshkumar Bhupendrabhai Kotak	12500	Cash	10	42	5,25,000.00
7.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Krunal Bhagwanbhai Patel	21875	Cash	10	42	9,18,750.00
8.	March 25, 2023	Transfer of Shares from Mr. Manishbhai Girishbhai Patel to Mr. Dhaval Dineshbhai Patel	10000	Cash	10	42	4,20,000.00
9.	March 17, 2023	Transfer of Shares from Mr. Vijay Lalsingh Yadav to Mr. Manishbhai Girishbhai Patel	35000	Cash	10	40	14,00,000.00
10.	March 17, 2023	Transfer of Shares from Mr. Vijay Lalsingh Yadav to Mr. Jigar Lallubhai Desai	7500	Cash	10	40	3,00,000.00
11.	March 17, 2023	Transfer of Shares from Mr. Vijay Lalsingh Yadav to Mr. Parth Lallubhai Desai	7500	Cash	10	40	3,00,000.00
<b>Total</b>			<b>160000</b>				<b>66,20,000.00</b>
<b>Weighted average cost of acquisition (WACA)</b>							<b>₹ 41.38</b>

**c) Price per share based on the last five primary or secondary transactions;**

Since there are transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions is not required to disclosed.

**d) Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Number of Times of Floor Price i.e., ₹ [●]/-	Number of Times of Cap Price i.e., ₹ [●]/-
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than	100.00	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Number of Times of Floor Price i.e., ₹ [●]/-	Number of Times of Cap Price i.e., ₹ [●]/-
five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoters / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. **	41.38	[●]	[●]
Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Red Herring Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoters /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction.	NA	NA	NA

**Justification for Basis of Issue price: -**

- The following provides a detailed explanation for the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoters, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Red Herring Prospectus compared to our Company's KPIs and financial ratios for the period ended September 30, 2023 and for the Financial Years 2023, 2022 and 2021.

[●]

*(To be included on finalization of Price Band)*

- The following provides an explanation to the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoters, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any

[●]

*(To be included on finalization of Price Band)*

The Issue Price of ₹ [●]/- has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with "Risk Factors", "Our Business" and "Summary of Restated Financial Information" beginning on pages 27, 127 and 46, respectively of this Red Herring Prospectus, to have a more informed view.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
Fonebox Retail Limited  
702/703, 7th Floor, Satyam 64,  
Opp. Gujarat High Court,  
S G Road, Ahmedabad- 380061,  
Gujarat, India.

Dear Sir,

**Subject - Statement of possible tax benefits (“the statement”) available to Fonebox Retail Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

### **Reference - Initial Public Offer of Equity Shares by Fonebox Retail Limited**

1. We hereby confirm that the enclosed Annexure I, prepared by Fonebox Retail Limited ('the Company'), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company, its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, The ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. We do not express any opinion or provide any assurance as to whether
  - i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been met with; and
  - iii) the revenue authorities courts will concur with the views expressed herein.
6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.

7. No assurance is given that the revenue authorities / Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
8. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**FOR M/S. S V J K & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 135182W**

**CA REETURAJ VERMA  
PARTNER  
MEMBERSHIP NO. 193591  
UDIN: 23193591BGUVM04298**

**PLACE: AHMEDABAD  
DATE: SEPTEMBER 20, 2023**



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

The information provided below sets out the possible special tax benefits available to the Company, the Shareholders under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

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

The Company is not entitled to any special tax benefits under the Taxation Laws.

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

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

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

We hereby give our consent to include our above referred opinion regarding the special tax benefits available to the Company, to its shareholders in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.

## SECTION VIII – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

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

#### GLOBAL ECONOMY

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies (figure 1.1.A). Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity. This drag is set to deepen given the lags between changes in monetary policy and its economic impacts, and the fact that real rates are expected to continue to increase.

Asset prices have been in broad, synchronous decline, investment growth has weakened substantially, and housing markets in many countries are worsening rapidly. Shockwaves continue to emanate from the Russian Federation’s invasion of Ukraine, especially in energy and other commodity markets. Against this backdrop, confidence has fallen precipitously. The world’s three major engines of growth—the United States, the euro area, and China—are undergoing a period of pronounced weakness, with adverse spillovers for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions.

Global inflation has been pushed higher by demand pressures, including those from the lagged effects of earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. In some countries, inflation has also been spurred by large currency depreciations relative to the U.S. dollar, as well as tight labor market conditions.

Inflation remains high worldwide and well above central bank targets in almost all inflation targeting economies. Although inflation is likely to gradually moderate over the course of the year, there are signs that underlying inflation pressures could be becoming more persistent. In response, central banks around the world have been tightening policy faster than previously expected. Monetary policy tightening in advanced economies, a strong U.S. dollar, geopolitical tensions, and high inflation have dampened risk appetite and led to widespread capital outflows and slowing bond issuance across EMDEs. Financial conditions have particularly worsened for less creditworthy EMDEs, especially if they are also energy importers (figure 1.1.B).

Fiscal space has narrowed considerably, and concerns over debt sustainability in many countries have risen as global financial conditions have made it more difficult to service debt loads that have accumulated rapidly in recent years, particularly during the pandemic. Nonetheless, many governments have announced new support measures to shield households and firms from the effects of sharply rising prices, slowing the pace of fiscal consolidation as pandemic-related stimulus is withdrawn.

Most commodity prices have eased, to varying degrees, largely due to the slowdown in global growth and concerns about the possibility of a global recession. By historical standards, however, they remain elevated, prolonging challenges associated with energy and food insecurity. Crude oil prices have steadily declined from their mid-2022 peak; meanwhile, natural gas prices in Europe soared to an all-time high in August but have since fallen back toward pre-invasion levels. Non-energy prices, particularly metal prices, have declined alongside weak demand. While food prices have eased from earlier peaks, food price inflation remains very high in some EMDEs.

Against this backdrop, global growth is forecast to slow to 1.7 percent in 2023 (figure 1.1.C). This pace of growth would be the third weakest in nearly three decades, overshadowed only by the global recessions caused by the pandemic in 2020 and the global financial crisis in 2009. This forecast is 1.3 percentage points lower than in June, largely reflecting more aggressive monetary policy tightening, deteriorating financial conditions, and declining confidence. Growth projections have been downgraded for almost all advanced economies and about two-thirds of EMDEs in 2023, and for about half of all countries in 2024 (figure 1.1.D). Global trade is also expected to slow sharply alongside global growth, despite support from a continued recovery in services trade. Downgrades to growth projections mean that global activity is now expected to fall even further below its pre-pandemic trend over the forecast horizon, with EMDEs accounting for most of the shortfall from trend (figure 1.1.E). This suggests that the negative shocks of the past three years—namely the pandemic, the invasion

of Ukraine, and the rapid increase in inflation and associated tightening of monetary policy worldwide—are having a lasting impact on economic prospects.

In advanced economies, conditions have deteriorated sharply, owing to declining confidence alongside high inflation and rapid monetary policy tightening. In the United States, one of the most aggressive monetary policy tightening cycles in recent history is expected to slow growth sharply. The euro area is also contending with severe energy supply disruptions and price hikes associated with the Russian Federation’s invasion of Ukraine. In all, growth in advanced economies is forecast to slow from 2.5 percent in 2022 to 0.5 percent in 2023.

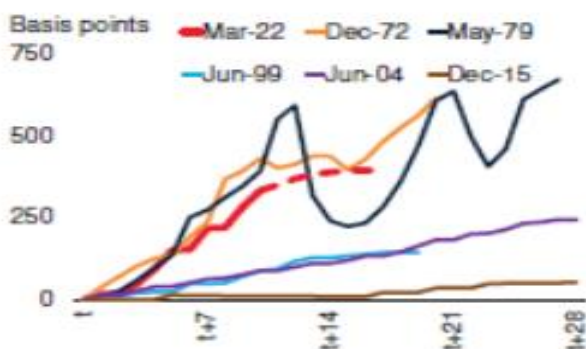
In EMDEs, growth prospects have worsened materially, with the forecast for 2023 downgraded 0.8 percentage point to a subdued 3.4 percent. The downward revision results in large part from weaker external demand and tighter financing conditions. EMDE growth is anticipated to remain essentially unchanged in 2023 relative to last year, as a pickup in China offsets a decline in other EMDEs. Excluding China, EMDE growth is forecast to decelerate from 3.8 percent in 2022 to 2.7 percent in 2023 as significantly weaker external demand is compounded by high inflation, tighter financial conditions, and other domestic headwinds. The deviation between EMDE investment and its pre-pandemic trend is expected to remain substantial. EMDE investment growth is envisaged to remain below its 2000-21 average pace, dampened significantly by weakening activity, heightened uncertainty, and rising borrowing costs. Low-income countries (LICs) are expected to grow 5.1 percent in 2023, with forecasts downgraded in about 65 percent of countries. Cost-of-living increases and a deterioration in the external environment are weighing heavily on activity in many LICs and compounding weakness in LICs with fragile and conflict affected situations (FCS).

As a result of the sharp slowdown in global growth, per capita income is not expected to surpass 2019 levels until at least 2024 in about one-third of EMDEs. Per capita income growth is expected to be slowest where poverty is highest (figure 1.1.F). In Sub-Saharan Africa—which accounts for about 60 percent of the world’s poor - growth in per capita income over 2023-24 is forecast to average only 1.2 percent, far less than the pace that would be needed over the remainder of the decade to reach a 3 percent poverty rate by 2030.

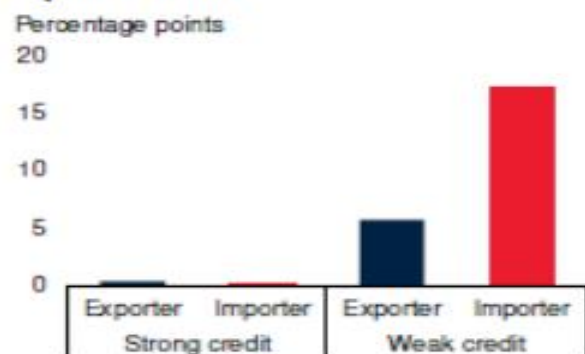
**FIGURE 1.1 Global prospects**

*High global inflation has prompted rapid, synchronous monetary tightening. This has contributed to worsening financial conditions, particularly for less creditworthy emerging market and developing economies (EMDEs). Global growth in 2023 is expected to be the third weakest in nearly three decades, overshadowed only by global recessions. Most country forecasts have been downgraded. The recovery from the pandemic recession is far from complete, especially in EMDEs, and the per-capita income outlook is particularly subdued for poverty-stricken countries.*

**A. G7 policy rates**



**B. EMDE sovereign spread changes in 2022, by credit rating and energy exporter status**



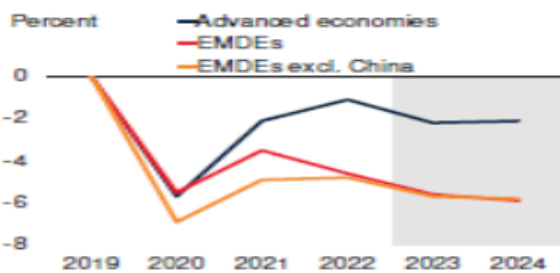
**C. Global growth**



**D. Share of countries with downgrades in growth forecasts**



**E. Deviation of output from pre-pandemic trends**



**F. EMDE per capita GDP growth, by bottom and top quartile poverty headcount ratio**



**Sources:**

BIS (database); Bloomberg; Haver Analytics; Moody's; JP Morgan; World Bank.

Note: EMBI = Emerging Markets Bond Index; EMDEs = emerging market and developing economies.

Unless otherwise indicated, aggregate growth rates are calculated using real U.S. dollar GDP weights at average 2010-19 prices and market exchange rates. Shaded areas indicate forecasts.

A. Short-term policy rate weighted by nominal GDP in current U.S. dollars. "t" is the month before the U.S. policy rate increases. Cycle ends when the G7-weighted policy rate peaks. Judgement used to define "double-peak" cycles. March 2022 cycle extended using market-implied interest rate expectations from January 2023 onward, observed on December 16, 2022.

B. Change in EMBI spreads since January 2022, using Moody's sovereign foreign currency ratings. Sample includes 11 EMDE energy exporters and 35 EMDE energy importers. Strong credit defined as ratings from Aaa to Baa3. Weak credit defined as ratings from Caa to Ca. Sample excludes Belarus, the Russian Federation, and Ukraine. Last observation is December 13, 2022.

C. Sample includes up to 37 advanced economies and 144 EMDEs.

D. Figure shows share of countries with forecast downgrades since the June 2022 Global Economic Prospects.

E. Figure shows deviation between current forecasts and January 2020 Global Economic Prospects. January 2020 baseline extended into 2023 and 2024 using projected growth for 2022.

F. "Low poverty headcount" are EMDEs with poverty headcount in the 25th percentile, and "high poverty headcount" are those in the 75th percentile. Bars show average per capita GDP growth over 2023-24 for 39 EMDEs. Whiskers show minimum-maximum range. Sample excludes Belarus and the Russian Federation. Poverty data are the poverty headcount ratio at \$2.15 a day (2017 PPP).

**Global Trade**

Global trade growth decelerated in the second half of 2022, in tandem with deteriorating activity in major economies. Weakening trade mirrored the slowdown in global industrial production, as demand shifted toward its pre-pandemic composition and away from goods. Despite this moderation, goods trade surpassed pre-pandemic levels last year; meanwhile, services trade continued to recover, supported by the gradual shift in demand toward services. Tourism flows rebounded as many countries eased travel restrictions but remained well below pre-pandemic levels and uneven across regions (WTO 2022).

**Global Inflation**

Inflation rose throughout 2022 in almost all economies. Median global headline inflation exceeded 9 percent in the second half of the year, its highest level since 1995. Inflation reached almost 10 percent in EMDEs, its highest level since 2008, and in advanced economies just over 9 percent, the highest since 1982. Inflation was above target in virtually all countries that have adopted inflation targeting.

Soaring inflation in 2022 reflected a combination of demand and supply factors (Ha, Kose, and Ohnsorge 2022; Shapiro 2022). On the demand side, the acceleration of growth during the initial rebound from the 2020 global recession, as well as the lagged effects of earlier macroeconomic support, contributed to persistent price pressures. Price increases were particularly large in sectors such as shipping and air travel, where compositional shifts in demand encountered ongoing capacity constraints and supply chain disruptions (Kalemli-Özcan et al. 2022). On the supply side, shortages of key commodities, exacerbated by Russia's invasion of Ukraine, contributed substantially to higher energy and food prices. In some countries, tight conditions and mismatches in labor markets further added to rising wages and higher input and production costs. Finally, many countries experienced large currency depreciations that passed through into higher import, producer, and consumer prices. The higher share of food in consumer spending has caused inflation to accelerate more in low-income countries compared to other EMDEs.

**TABLE 1.1 Real GDP<sup>1</sup>**

(Percent change from previous year unless indicated otherwise)

	2020	2021	2022e	2023f	2024f	Percentage point differences from June 2022 projections		
						2022e	2023f	2024f
<b>World</b>	-3.2	5.9	2.9	1.7	2.7	0.0	-1.3	-0.3
<b>Advanced economies</b>	-4.3	5.3	2.5	0.5	1.6	-0.1	-1.7	-0.3
United States	-2.8	5.9	1.9	0.5	1.6	-0.6	-1.9	-0.4
Euro area	-6.1	5.3	3.3	0.0	1.6	0.8	-1.9	-0.3
Japan	-4.3	2.2	1.2	1.0	0.7	-0.5	-0.3	0.1
<b>Emerging market and developing economies</b>	-1.5	6.7	3.4	3.4	4.1	0.0	-0.8	-0.3
East Asia and Pacific	1.2	7.2	3.2	4.3	4.9	-1.2	-0.9	-0.2
China	2.2	8.1	2.7	4.3	5.0	-1.6	-0.9	-0.1
Indonesia	-2.1	3.7	5.2	4.8	4.9	0.1	-0.5	-0.4
Thailand	-6.2	1.5	3.4	3.6	3.7	0.5	-0.7	-0.2
Europe and Central Asia	-1.7	6.7	0.2	0.1	2.8	3.2	-1.4	-0.5
Russian Federation	-2.7	4.8	-3.5	-3.3	1.6	5.4	-1.3	-0.6
Türkiye	1.9	11.4	4.7	2.7	4.0	2.4	-0.5	0.0
Poland	-2.0	6.8	4.4	0.7	2.2	0.5	-2.9	-1.5
Latin America and the Caribbean	-6.2	6.8	3.6	1.3	2.4	1.1	-0.6	0.0
Brazil	-3.3	5.0	3.0	0.8	2.0	1.5	0.0	0.0
Mexico	-8.0	4.7	2.6	0.9	2.3	0.9	-1.0	0.3
Argentina	-9.9	10.4	5.2	2.0	2.0	0.7	-0.5	-0.5
Middle East and North Africa	-3.6	3.7	5.7	3.5	2.7	0.4	-0.1	-0.5
Saudi Arabia	-4.1	3.2	8.3	3.7	2.3	1.3	-0.1	-0.7
Iran, Islamic Rep. <sup>2</sup>	1.9	4.7	2.9	2.2	1.9	-0.8	-0.5	-0.4
Egypt, Arab Rep. <sup>3</sup>	3.6	3.3	6.6	4.5	4.8	0.5	-0.3	-0.2
South Asia	-4.5	7.9	6.1	5.5	5.8	-0.7	-0.3	-0.7
India <sup>2</sup>	-6.6	8.7	6.9	6.6	6.1	-0.6	-0.5	-0.4
Pakistan <sup>3</sup>	-0.9	5.7	6.0	2.0	3.2	1.7	-2.0	-1.0
Bangladesh <sup>3</sup>	3.4	6.9	7.2	5.2	6.2	0.8	-1.5	-0.7
Sub-Saharan Africa	-2.0	4.3	3.4	3.6	3.9	-0.3	-0.2	-0.1
Nigeria	-1.8	3.6	3.1	2.9	2.9	-0.3	-0.3	-0.3
South Africa	-6.3	4.9	1.9	1.4	1.8	-0.2	-0.1	0.0
Angola	-5.8	0.8	3.1	2.8	2.9	0.0	-0.5	-0.3
<b>Memorandum items:</b>								
<b>Real GDP<sup>4</sup></b>								
High-income countries	-4.3	5.3	2.7	0.6	1.6	0.0	-1.6	-0.4
Middle-income countries	-1.2	6.9	3.2	3.4	4.3	-0.1	-0.8	-0.2
Low-income countries	1.6	3.9	4.0	5.1	5.6	0.0	-0.1	0.0
EMDEs excl. China	-3.9	5.7	3.8	2.7	3.6	1.1	-0.7	-0.4
Commodity-exporting EMDEs	-3.7	4.9	2.8	1.9	2.8	1.6	-0.7	-0.4
Commodity-importing EMDEs	-0.4	7.6	3.6	4.1	4.8	-0.8	-0.8	-0.2
Commodity-importing EMDEs excl. China	-4.2	6.8	5.0	3.8	4.5	0.4	-0.7	-0.4
EM7	-0.4	7.4	3.0	3.5	4.5	-0.3	-0.8	-0.2
World (PPP weights) <sup>4</sup>	-2.8	6.1	3.1	2.2	3.2	0.0	-1.2	-0.3
<b>World trade volume<sup>5</sup></b>	-8.2	10.6	4.0	1.6	3.4	0.0	-2.7	-0.4
<b>Commodity prices<sup>6</sup></b>						Level differences from June 2022 projections		
Energy price index	52.7	95.4	151.7	130.5	118.3	7.1	4.4	7.2
Oil price (US\$ per barrel)	42.3	70.4	100.0	88.0	80.0	0.0	-4.0	0.0
Non-energy commodity price index	84.4	112.0	123.7	113.7	113.0	-8.4	-7.6	-4.6

Source: World Bank.

Note: e = estimate; f = forecast. World Bank forecasts are frequently updated based on new information. Consequently, projections presented here may differ from those contained in other World Bank documents, even if basic assessments of countries' prospects do not differ at any given date. For the definition of EMDEs, developing countries, commodity exporters, and commodity importers, please refer to table 1.2. EM7 includes Brazil, China, India, Indonesia, Mexico, the Russian Federation, and Türkiye. The World Bank is currently not publishing economic output, income, or growth data for Turkmenistan and República Bolivariana de Venezuela owing to lack of reliable data of adequate quality. Turkmenistan and República Bolivariana de Venezuela are excluded from cross-country macroeconomic aggregates.

1. Headline aggregate growth rates are calculated using GDP weights at average 2010-19 prices and market exchange rates. The aggregate growth rates may differ from the previously published numbers that were calculated using GDP weights at average 2010 prices and market exchange rates.

2. GDP growth rates are on a fiscal year basis. Aggregates that include these countries are calculated using data compiled on a calendar year basis. The column labeled 2022 refers to FY2022/23.

3. GDP growth rates are on a fiscal year basis. Aggregates that include these countries are calculated using data compiled on a calendar year basis. Pakistan's growth rates are based on GDP at factor cost. The column labeled 2022 refers to FY2021/22.

4. World growth rates are calculated using average 2010-19 purchasing power parity (PPP) weights, which attribute a greater share of global GDP to emerging market and developing economies (EMDEs) than market exchange rates.

5. World trade volume of goods and nonfactor services.

6. Energy price index is in nominal U.S. dollars (2010=100) and it includes coal (Australia), crude oil (Brent), and natural gas (Europe, Japan, and the United States). Oil price refers to the Brent crude oil benchmark. The non-energy index is in nominal U.S. dollars (2010=100) and it is the weighted average of 39 commodity prices (7 metals, 5 fertilizers, and 27 agricultural commodities).

For additional details, please see <https://www.worldbank.org/commodities>.

**(Source: Global Economic Prospects, January 2023)**

## INDIAN ECONOMY

### Introduction

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

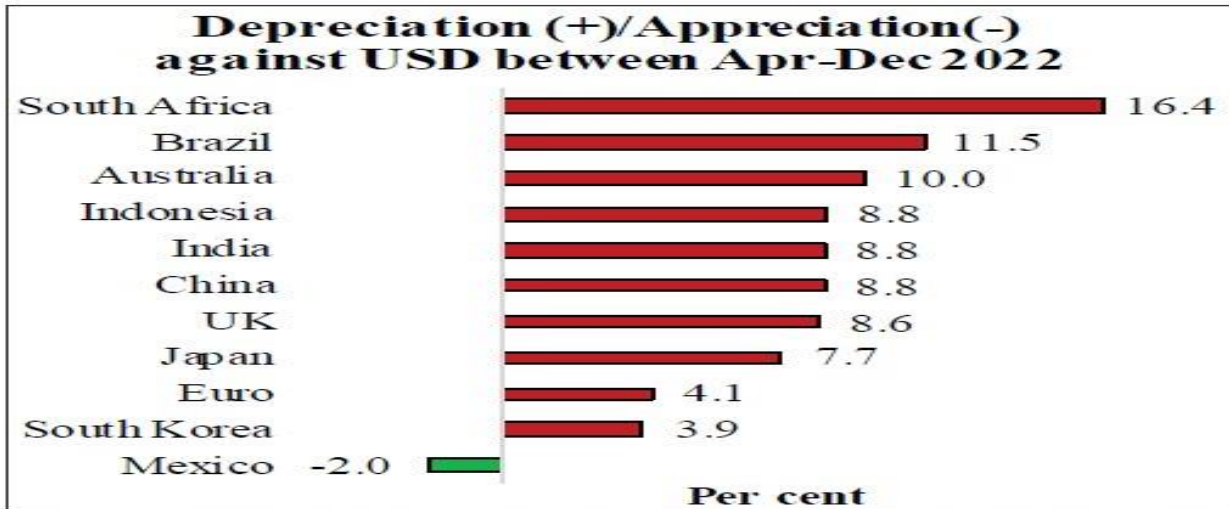
*India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECGLS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP). The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.*

### Macroeconomic and Growth Challenges in the Indian Economy

The impact of the pandemic on India was seen in a significant GDP contraction in FY21. The following year, FY22, the Indian economy started to recover despite the Omicron wave of January 2022. This third wave did not affect economic activity in India as much as the previous waves of the pandemic did since its outbreak in January 2020. Mobility enabled by localised lockdowns, rapid vaccination coverage, mild symptoms and quick recovery from the virus contributed to minimising the loss of economic output in the January-March quarter of 2022. Consequently, output in FY22 went past its pre-pandemic level in FY20, with the Indian economy staging a full recovery ahead of many nations. The experience with the Omicron variant engendered a cautious optimism that it was possible to stay physically mobile and engage in economic activities despite the pandemic. FY23 thus opened with a firm belief that the pandemic was rapidly on the wane and that India was poised to grow at a fast pace and quickly ascend to the pre-pandemic growth path.

With monetary tightening, the US dollar has appreciated against several currencies, including the rupee. However, the rupee has been one of the better-performing currencies worldwide, but the modest depreciation it underwent may have added to the domestic inflationary pressures besides widening the CAD. Global commodity prices may have eased but are still higher compared to pre-conflict levels. They have further widened the CAD, already enlarged by India's growth momentum. For FY23, India has sufficient forex reserves to finance the CAD and intervene in the forex market to manage volatility in the Indian rupee.

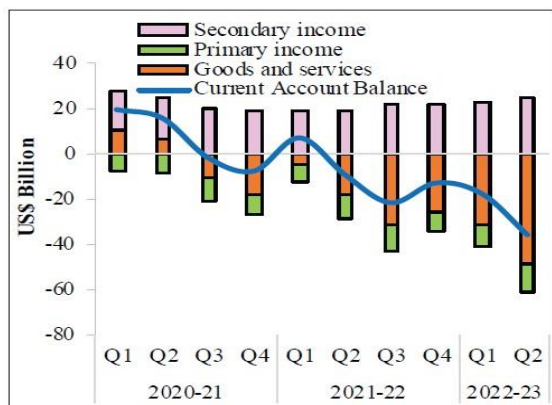
**Figure I.12: Indian Rupee performed well compared to other EMEs**



Source: Bloomberg, RBI (Exchange rates for December as on 31st Dec 2022)

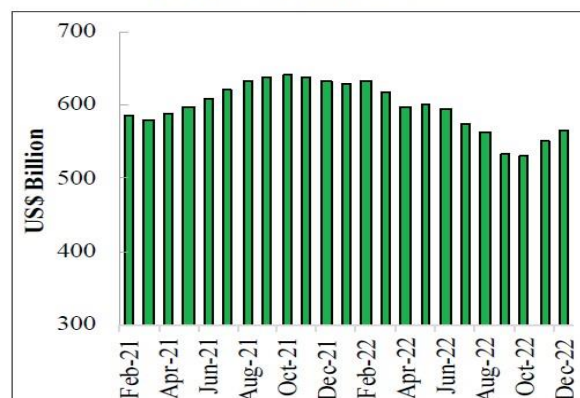
For many countries around the world, including India, 2021 was a period of recovery for health and economies from the impact of the pandemic. For the advanced economies, in particular, the enormous fiscal stimulus earlier injected by their governments supported a strong demand revival. Growth in world trade subsequently followed, of which India was also a beneficiary. India’s exports surged in FY22, and the momentum lasted up to the first half of FY23. Export growth was strong enough to increase India’s share in the world market of merchandise exports. However, due to aggressive and synchronised monetary tightening, global economic growth has started to slow, and so has world trade. As per United Nations Conference on Trade and Development (UNCTAD) latest global trade update, global trade growth turned negative during the H2:2022, and geopolitical frictions, persisting inflationary pressures, and subdued demand are expected to suppress global trade further in 2023. This is likely to affect many countries, including India, with the prospects of sluggish exports continuing into FY24, compared to the promise shown at the beginning of the current year.

**Figure I.13: Widened Current Account Deficit**



Source: RBI

**Figure I.14: Adequate foreign exchange reserves to finance CAD**



Source: RBI

**India’s Economic Resilience and Growth Drivers**

Monetary tightening by the RBI, the widening of the CAD, and the plateauing growth of exports have essentially been the outcome of geopolitical strife in Europe. As these developments posed downside risks to the growth of the Indian economy in FY23, many agencies worldwide have been revising their growth forecast of the Indian economy downwards. These forecasts, including the advance estimates released by the NSO, now broadly lie in the range of 6.5-7.0 per cent. Despite the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic. IMF estimates India to be one of the

top two fast-growing significant economies in 2022. Despite strong global headwinds and tighter domestic monetary policy, if India is still expected to grow between 6.5 and 7.0 per cent, and that too without the advantage of a base effect, it is a reflection of India's underlying economic resilience; of its ability to recoup, renew and re-energise the growth drivers of the economy.

(Source: *Economic Survey 2022-23*)

## INDUSTRY

### TELECOMMUNICATIONS INDUSTRY REPORT

#### EXECUTIVE SUMMARY

##### 1. INCREASING MOBILE SUBSCRIBERS

- India is the second-largest smartphone market in the world. India's mobile subscriber base is expected to reach 1,420 million by 2024 from 1,200 million in 2018.
- By 2022, the 4G user base is expected to reach 820 million.

##### 2. UNTAPPED RURAL MARKETS

- Tele-density of rural subscribers reached 57.46% in March 2022.

##### 3. RISING INTERNET PENETRATION

- Internet penetration is expected to grow steadily and is likely to be bolstered by Government policy.
- Number of broadband subscribers reached 846.57 million in March 2023. • To encourage cash economy, Indian Government announced to provide free Wi-Fi to more than 1,000 gram panchayats.

##### 4. DEVELOPMENT OF TELECOM INFRASTRUCTURE

- TRAI has made several recommendations for the development of telecom infrastructure, including tax benefits and recognising telecom infrastructure as essential infrastructure.

##### 5. GROWTH IN MVAS

- Indian Mobile Value-Added Services (MVAS) industry is expected to grow at a CAGR of 18.3% during the forecast period of 2015-2020 and reach US\$ 23.8 billion by the end of 2020

##### 6. TELECOM ADVERTISING MARKET

- According to a Zenith Media survey, India is expected to become the fastest growing telecom advertisement market, with an annual growth rate of 11% between 2020 and 2023

##### 7. TELECOM ADVERTISING MARKET

- In order to overcome the cash related problems being faced by people, due to demonetisation, Paytm launched a service through which consumers and merchants can pay and receive money instantly, without an internet connection.
- Payments on unified payments interface (UPI) hit an all-time high of 97.88 million (by volume), with transactions worth ~Rs. 12.98 trillion (US\$ 157.85 billion) in January 2023

#### The Telecom Market Split into Three Segments

##### 1. Mobile (wireless)

- Comprises establishments operating and maintaining switching and transmission facilities to provide direct communication via airwaves

##### 2. Fixed-line (wireline)

- Consist of companies that operate and maintain switching and transmission facilities to provide direct Communication through landlines, microwave or a combination of landlines and satellite linkups

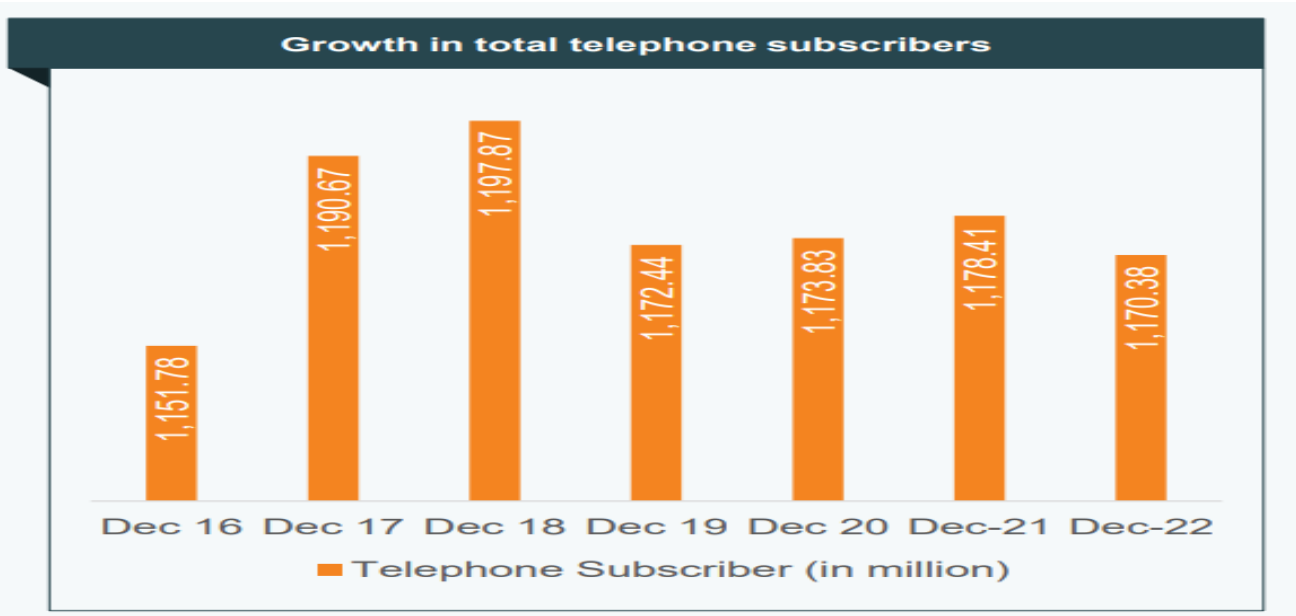
##### 3. Internet services

- Include Internet Service Providers (ISPs) that offer broadband internet connections through consumer and corporate channels

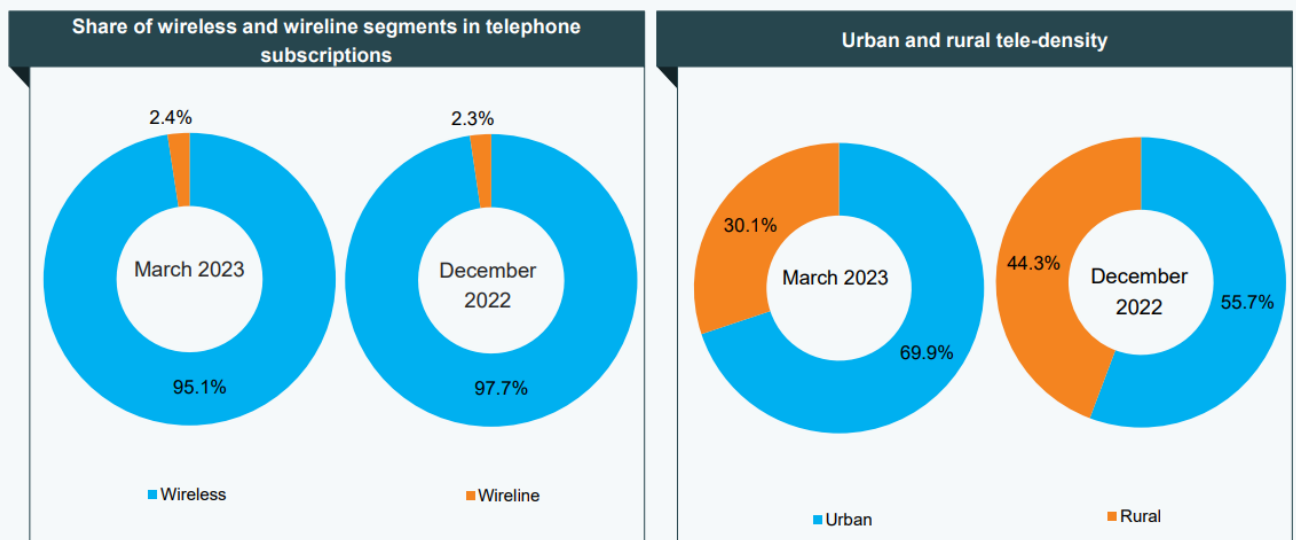
#### Expanding telecom subscriber base on the face of government initiatives



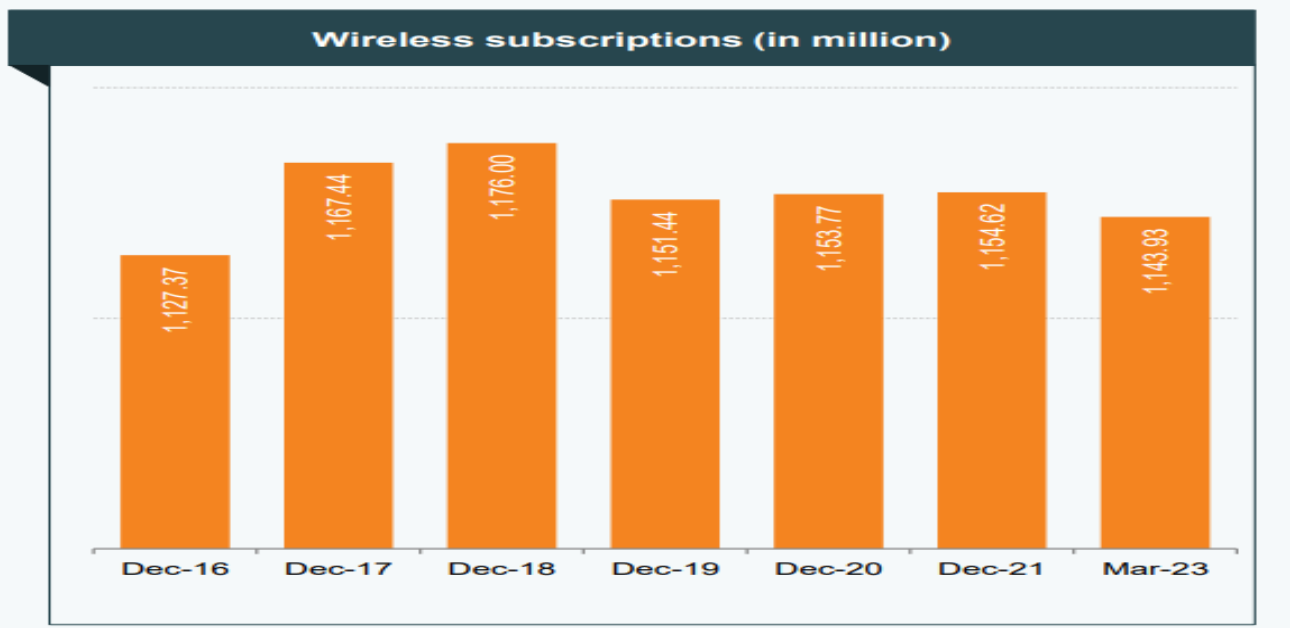
- India is currently the second-largest telecommunication market and has the second-highest number of internet users in the world.
- The PLI scheme in telecom and networking products aims to make India a global hub of manufacturing telecom equipment. It is estimated that full utilisation of the scheme funds is likely to lead to incremental production of about ₹2.4 lakh crore (US\$ 32.01 billion) with exports of ~₹ 2 lakh crore (US\$ 26.67 billion) over five years.
- India’s telephone subscriber base increased to 1,170.75 million in January 2023 from 1,170.38 billion in December 2022.
- In India, tele-density (defined as the number of telephone connections per 100 individuals) stood at 84.51%, as of March 2023.



**Increase In Wireless Segment and Rural Subscribers**



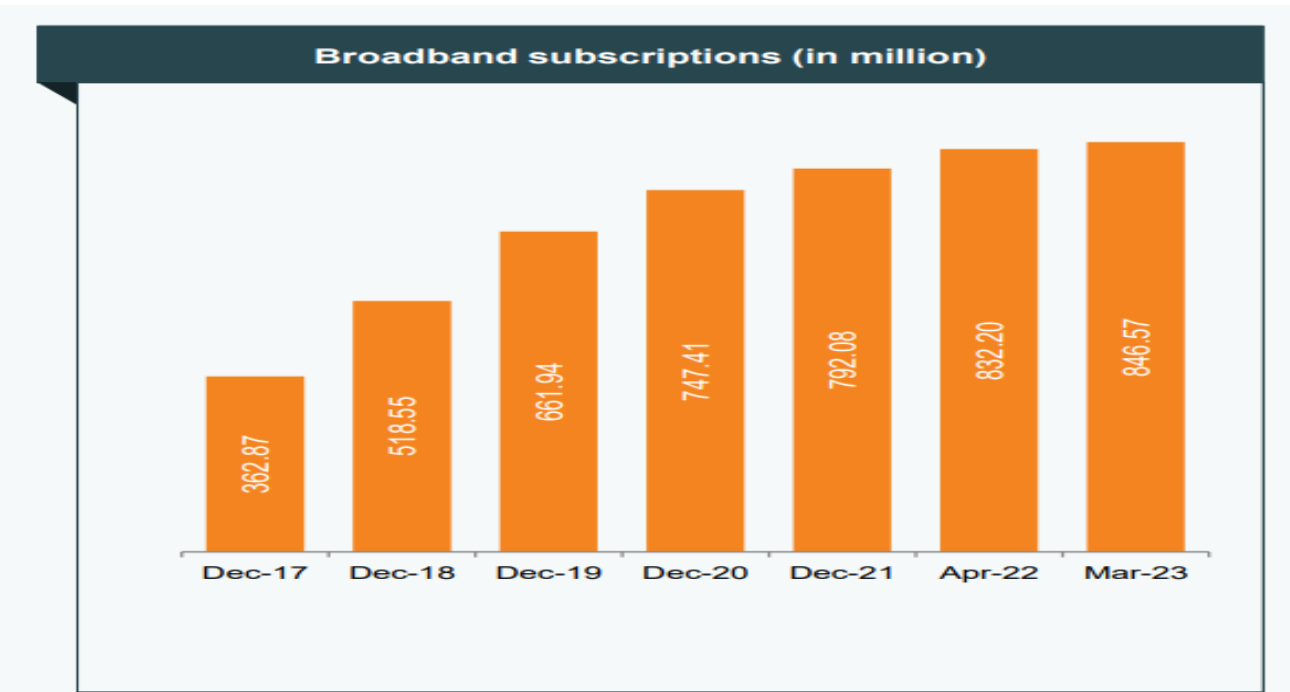
- Wireless subscriptions witness robust growth over the years
- Wireless subscription has grown robustly over the past few years.
- The growth in wireless subscriptions has led to a significant rise in wireless tele-density.
- Wireless subscriptions stood at 1,143.93 million, and wireless tele-density reached 82.46% in March 2023.
- As of March 2023, the wireless subscriber base of Jio stood at 430.23 million, followed by Bharti Airtel (235.78 million), Vodafone Idea 124.82 million, BSNL 21.77 million and Intech Online Pvt. Ltd. 0.23 million.



Source: Telecom Regulatory Authority of India;

**Strong growth in broadband drives internet access revenues**

- Total broadband subscriptions in the country grew from 149.75 million in FY16 to 846.57 million in FY23 (April-March).
- The number of wired broadband subscriptions stood at 33.49 million in FY23.
- Wireless broadband subscribers stood at 813.08 million in FY23.
- As of March 2023, the top 5 service providers (Reliance Jio Infocom Ltd stood at 438.56 million, followed by Bharti Airtel (241.90 million), Vodafone Idea (124.83 million), BSNL 25.37 million and Atria Convergence 2.14 million).



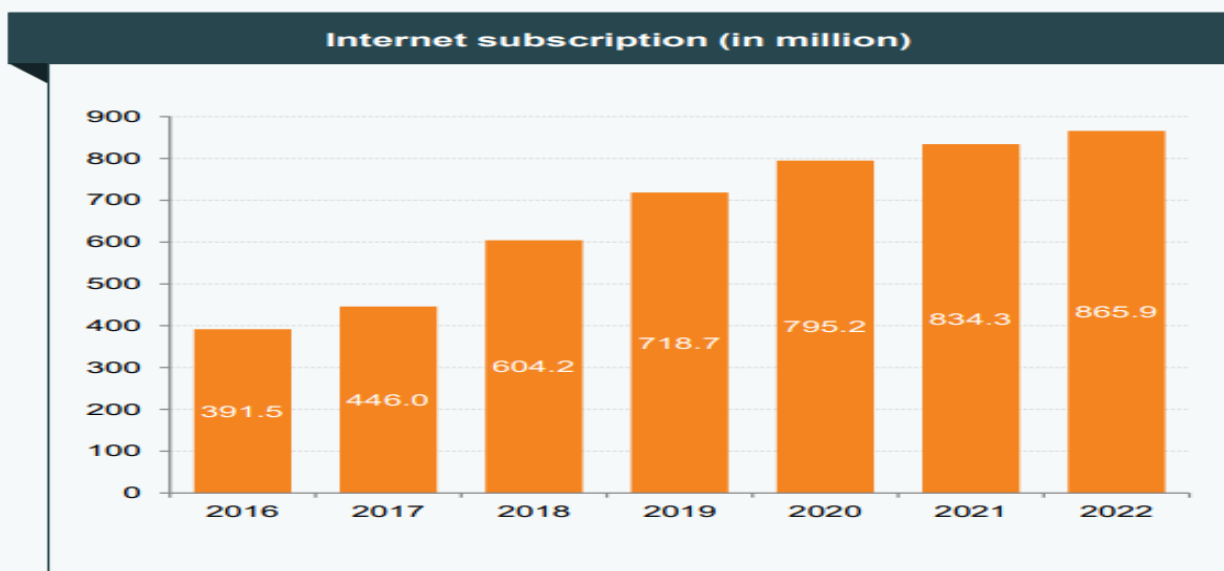
Note: \* As of December 2022

Source: Telecom Regulatory Authority of India;

**Number of internet subscribers increasing at a fast pace**

- In October-December 2022 India's Internet subscribers is 865.90 million of which 32.41 million were wired subscribers and 833.49 million were wireless internet subscribers.

- The number of internet subscribers in the country increased at a 11.73% CAGR from 391.5 million in 2016 to 865.90 million in 2022- 23.
- The number of internet subscribers in the country is expected to reach 900 million by 2025. ▪ India is likely to have 330 million 5G subscribers by 2026.
- India is expected to have ~37-40 million smartphone users (handsets supporting 5G technology) by end-2021
- Overall IP traffic is expected to grow four-fold at a CAGR of 30% by 2021.
- Average wireless data usage per wireless data subscriber was 14.6 GB per month in FY21 and is expected to reach to 40 GB by 2026.

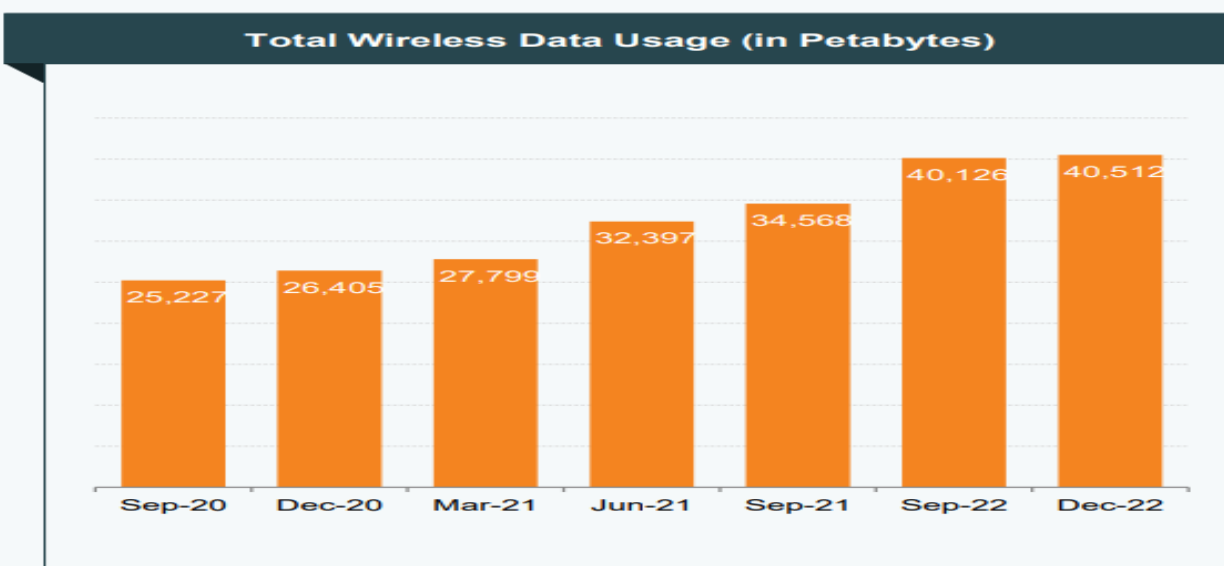


*Note: CAGR - Compound Annual Growth Rate; IP - Internet Protocol, 2021: until September 2021*

*Source: Telecom Regulatory Authority of India; Business Monitor International*

**Exponential growth in data consumption**

- India holds the distinction of being the largest consumer of mobile data globally.
- Data consumption in the country has witnessed exponential growth over the course of the past few years.
- The aggregated data consumed as on 31st December 2022 was 1,40,24,519 GB.
- The total wireless data usage in India grew at a rate of 0.96% from 40,126 PB in September 2022 to 40,512 PB in December 2022.
- The contribution of 2G, 3G and 4G data usage to the total volume of wireless data usage was at 0.14%, 0.93% and 98.93%

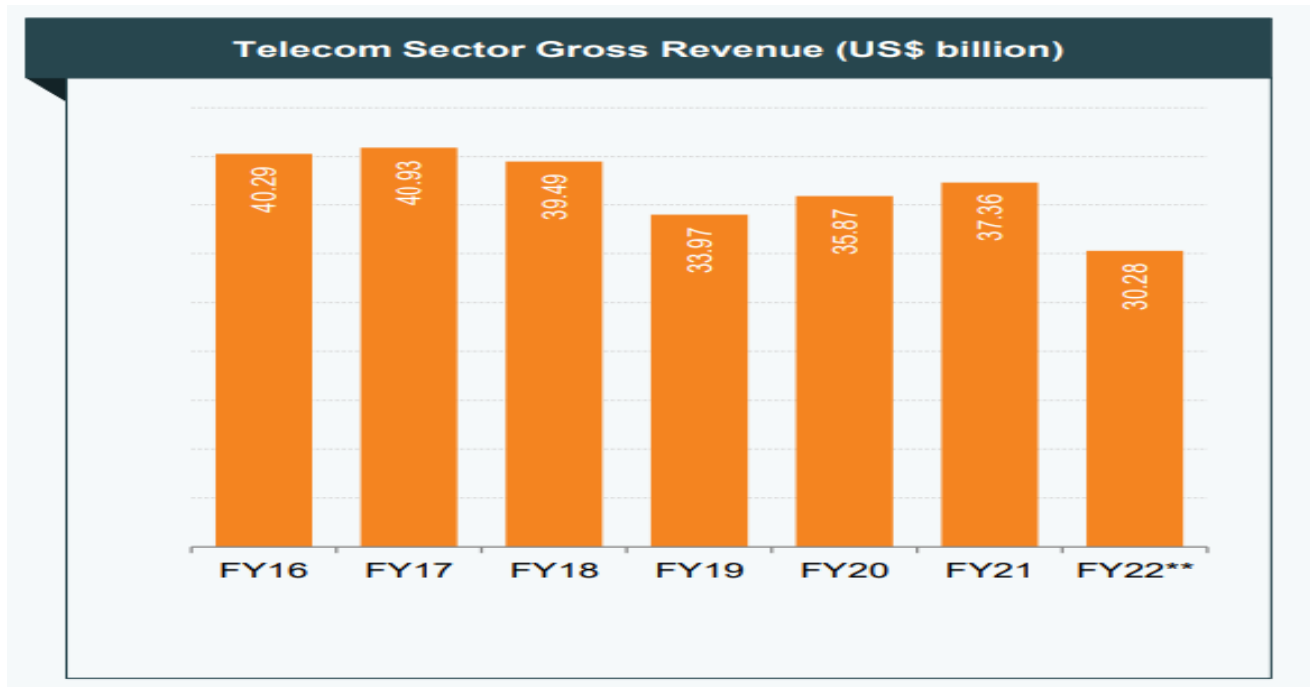


**Note:** CAGR - Compound Annual Growth Rate, PB- Petabytes

**Source:** Telecom Regulatory Authority of India's

**Telecom revenues**

- The Indian telecom sector's gross revenue declined from US\$ 40.29 billion in FY16 to US\$ 37.36 billion in FY21.
- Gross revenue of the telecom sector stood at ₹88,166 crore (US\$ 10.68 billion) in the third quarter of FY22.
- Gross revenue of the telecom sector stood at ₹83,767 crore (US\$ 10.21 billion) in the second quarter of FY22.
- Indian telecom sector's revenue grew at 4.16% in FY21 from FY20 on the back of stabilising tariff wars and increased spending by subscribers due to minimum recharge plans.
- In August 2021, the Department of Telecommunications (DoT) officials stated that it is working on a package, which includes reducing the revenue share licence fee to 6% of adjusted gross revenue (AGR) of the operators from the current 8%. This would be done by reducing the 5% universal service obligation levy by two percentage points and providing relief of about ₹3,000 crore (US\$ 403.63 million) annually to the operators.



**Note:** \*\* - April – December ; CAGR - Compound Annual Growth Rate, FY - Indian Financial Year (April - March)

**Source:** Telecom Regulatory Authority of India's Performance Indicator Report

- The four operators running the telecom network utilized 7,50,718 towers as of February 2023. Therefore, there has been a nearly 60% increase and a 40% increase in towers and Base Transceiver Stations (BTS), respectively, since December 2017. The number of Mobile BTS are 23.98 lakh in December 2022.
- A surge in the subscriber base has necessitated network expansion covering a wider area, thereby creating a need for significant investment in telecom infrastructure.
- To curb cost and focus on core operations, telecom companies have been segregating their tower assets into separate companies. For example: Reliance Communications has decided to finalise a deal to sell its stake in Reliance Infratel. The value of the deal is around US\$ 3.68 billion.
- Creating separate tower companies has helped telecom companies lower operating cost and improve capital structure. This has also provided an additional revenue stream.
- Inspired by the success seen by Indian players in towers business, most of the operators around the world are replicating the model.
- In April 2021, Bharti Airtel Ltd. announced a new corporate structure by forming a new telecom entity to sharpen its focus on digital assets. The telco has formed a new subsidiary, Airtel Ltd., which will house its telecom business.
- In the same month, Dixon Technologies (India) Ltd. partnered with Bharti Enterprises Ltd. to make telecom and networking equipment. Under the deal, Dixon will make modems, routers, set-top boxes and IoT devices for telcos including Bharti Airtel Ltd.

**Key Players in Telecom Sectors**



**RELIANCE JIO INFOCOMM LIMITED**

Total Broadband Subscribers: **438.56 million**

Wireline Subscriber Base: **8.33 million**

Market Share of Broadband Services: **51.80%**



**BHARTI AIRTEL LIMITED**

Total Broadband Subscribers: **241.90 million**

Wireline Subscriber Base: **6.12 million**

Market Share of Broadband Services: **28.57%**



**VODAFONE IDEA LIMITED**

Total Broadband Subscribers: **124.83 million**

Wireline Subscriber Base: **0.53 million**

Market Share of Broadband Services: **14.75%**



**BHARAT SANCHAR NIGAM LIMITED**

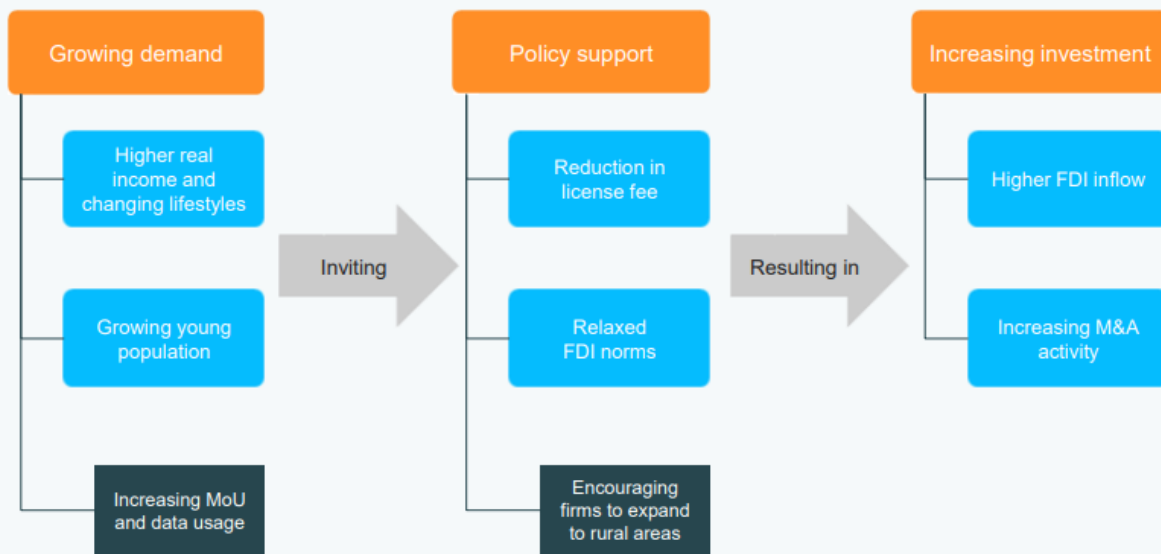
Total Broadband Subscribers: **25.37 million**

Wireline Subscriber Base: **3.60 million**

Market Share of Broadband Services: **3%**

*Note: Data as of December 2022*

## Sector benefits from rising income, growing young population



Note: FDI - Foreign Direct Investment, MOU - Minutes of Use per month and per subscriber, M&A - Mergers and Acquisitions

## Notable trends in the Indian telecom sector...

1

### Green telecom

- The green telecom concept is aimed at reducing carbon footprint of the telecom industry through lower energy consumption.
- The Government proposed a joint task force between Ministry of New and Renewable Energy (MNRE) and Department of Telecommunication to promote green technology in the sector.

2

### Expansion to rural market

- Dedicated government schemes BharatNet Project Scheme, Telecom Development Plan, Aspirational District Scheme, initiatives in North-Eastern Region through Comprehensive Telecom Development Plan (CTDP), etc resulted in a 200% increase in rural internet subscriptions between 2015 to 2021.
- Over 62,443 uncovered villages in India will be provided with village telephone facility with subsidy support from the government's Universal Service Obligation Fund (thereby increasing rural tele-density).
- Broadband service provider, Excitel, plans to raise Rs. 200 crore (US\$ 28.37 million) in funding as it plans to expand FTTH (fibre to the home) deployment on its network and establish presence in 50 cities by December 2021.

3

### Emergence of BWA technologies

- Prime Minister Mr. Narendra Modi launched 5G services on October 1, 2022. As of January 31, 2023, 5G services were launched in 238 cities in all license service areas.
- BWA technologies, such as WiMAX and LTE, is among the most recent and significant developments in wireless communication.
- India is expected to be the second-largest market in 5G services followed by China in the next 10 years.

4

### Commercial SMS traffic

- Due to higher post-pandemic digital adoption, daily commercial SMS traffic in India, currently, has increased by ~20%, even as overall text messaging continues to shrink. At present, ~1.3 billion commercial SMSs are sent every day.

Notes: BWA - Broadband Wireless Access, TRAI - Telecom Regulatory Authority of India  
Source: News Articles

5

### Internet of Things (IoT)

- IoT is the concept of electronically interconnected and integrated machines, which can help in gathering and sharing data. The Indian Government is planning to develop 100 smart city projects where IoT will play a vital role in development of those cities.
- Reliance Jio has partnered with Samsung Electronics to set up a nationwide IoT network.
- Jio's IoT platform is ready to be commercially available in 2020.

6

### Public Wi-Fi Networks

- RailTel, a mini Ratna PSU launched Prime Minister Wi-Fi Access Network Interface (PM-WANI) to access its Public WiFi services across 100 railway stations having 2,384 WiFi hotspots in 22 states.
- In December 2020, the Union Cabinet, chaired by the Prime Minister, Mr. Narendra Modi, approved a proposal by Department of Telecommunications for setting up of Public Wi-Fi Networks by Public Data Office Aggregators (PDOAs) to provide public Wi-Fi services through Public Data Offices (PDOs).

7

### Universal Service Obligation Fund

- USOF officially launched Telecom Technology Development Fund (TTDF) Scheme on October 1, 2022
- In December 2020, the Union Cabinet, chaired by the Prime Minister, Mr. Narendra Modi, approved the provision for a 'Universal Service Obligation Fund (USOF)' scheme to provide mobile coverage in Arunachal Pradesh and two districts of Assam, namely KarbiAnglong and Dima Hasao, under the Comprehensive Telecom Development Plan (CTDP) for the North Eastern Region (NER).

8

### Satellite-based Narrowband-IoT Network

- In December 2020, BSNL, in partnership with Skylotech India, announced a breakthrough in satellite-based NB-IoT (Narrowband-Internet of Things) for fishermen, farmers, construction, mining and logistics enterprises.

Source: Press Information Bureau

9

### Investment in optical fibre network

- With the launch of 5G, telecommunication companies are expected to invest US\$ 2.5 billion on optical fibers.
- In January 2020, HFCL Limited, formerly known as Himachal Futuristic Communications, supplied indigenously designed, developed and manufactured 100,000 Wi-Fi systems in a record time, and stated that Wi-Fi Access Network Interface (WANI) with the government's ambitious BharatNet initiative would augment broadband uptake in rural India. Reliance Jio Infocomm is going to expand its optical fibre network to over 1,100 cities under its Jio GigaFiber brand
- On September 21, 2020, Prime Minister, Mr. Narendra Modi launched a project to connect all 45,945 villages in Bihar with optical fibre internet service. This project will be completed by March 31, 2021, at a cost of Rs. ~1,000 crore (US\$ 135.97 million); Rs. 640 crore (US\$ 87.01 million) of capital expenditure will be funded by the Department of Telecommunications.

10

### Consumer spending

- In the first quarter of FY21, customer spending on telecom services increased 16.6% y-o-y, with over three-fourths spent on data services. This spike in consumer spending came despite of the COVID-19 disruption and lack of access of offline recharges for a few weeks

11

### Rising investment

- As of March 2023, the PLI scheme for Large-Scale Electronics Manufacturing (LSEM) has attracted investment of US\$ 726.77 million (Rs. 5,998 crore) and led to a total production of US\$ 33.55 billion (Rs. 2,76,903 crore), including exports of US\$ 15.61 billion (Rs. 1,28,886 crore).
- In May 2023, STT GDC invested US\$ 242.33 million (Rs. 2,000 crore) in two more data centres in Pune.
- In Q1 of FY22, the Indian technology, media and telecom (TMT) sector leads the M&A market in India bagging deals worth US\$ 11.5 billion.
- In August 2022, the Government of India received investments worth Rs. 1,50,173 crore (US\$ 18.83 billion) for its 5G spectrum.

Source: 'Searching for New Frontiers of growth: Indian Banks'- PwC, Reserve Bank of India, Press Information Bureau, News Articles

## 12

### Consolidation

- Vodafone India and Idea have merged into Vodafone idea. Vodafone Idea unified assets and completed network integration in June 2020.

## 13

### Mobile banking

- Department of Posts launched mobile banking for its saving account customers.
- As of January 2020, 213 banks were live on unified payment interface (UPI).

## 14

### Digital experience

- In March 2021, Vodafone Idea Ltd. (VIL) announced that the acquired spectrum in five circles would help improve 4G coverage and bandwidth, allowing it to offer 'superior digital experience' to customers.

## 15

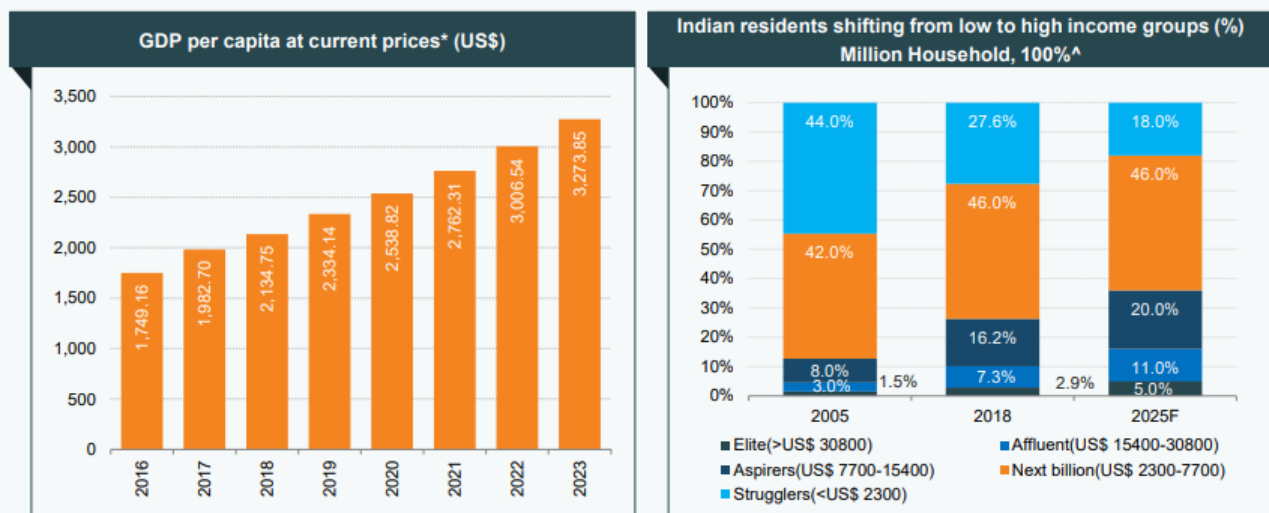
### Partnership

- Vodafone Idea has partnered with Indian Council for Research on International Economic Relations (ICRIER) called InVICT to set up a telecom Centre of Excellence.
- In August 2021, Tata Group company Nelco announced that the company is in talks with Canadian firm Telesat to sign a commercial pact for launching fast satellite broadband services in India under the latter's Lightspeed brand, a move which will pit the combined entity against Bharti Enterprises-backed OneWeb, Elon Musk's SpaceX and Amazon.
- In March 2021, Advanced Television Systems Committee (ATSC) and Telecommunications Standards Development Society, India (TSDSI) signed a deal to boost adoption of ATSC standards in India in order to make broadcast services available on mobile devices. This allows the TSDSI to follow ATSC standards, fostering global digital broadcasting standard harmonisation.

Source: News Articles

### Rising income and growing rural market fuels demand for telecom services

- Incomes have risen at a brisk pace in India and will continue rising given the country's strong economic growth prospects.
- GDP per capita of India is expected to grow at a CAGR of 7.47% from US\$ 1,481.56 in 2012 to US\$ 3,273.85 in 2023.
- Increasing income has been a key determinant of demand growth in the telecommunication sector in India.
- The emergence of an affluent middle class is triggering demand for the mobile and internet segments.
- A young growing population is aiding this trend (especially the demand for smart phones).



**Notes:** CAGR - Compound Annual Growth Rate, \*Estimates after 2013, ^Data for 2005, 2006 and 2025 is from BCG's The New Indian: The Many Facets of a Changing Consumer, for 2017 from IBM-Kalaari Capital's Imagining a Trillion Dollar Digital India and for 2018 from Redseer Consulting's Indian Habit of Being Healthy

**Source:** IMF World Economic Outlook Database April 2018



## BUSINESS OVERVIEW



The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on Page 27 of this Red Herring Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “Fonebox Retail Limited”, “FRL”, “Fonebox”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Red Herring Prospectus.

Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941.

Promoters of our company are Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh and Mr. Amitkumar Gopalbhai Patel. While Mr. Manishbhai Girishbhai Patel and Mr. Amitkumar Gopalbhai Patel were associated with the company since its incorporation. Mr. Jigneshkumar Dashrathlal Parekh, Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai joined our company by acquisition of equity shares in 2021. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from mobile handsets, mobile accessories and other consumer durable home appliances such as Smart TVs, Laptop, Air condition etc. Our promoters have combined experience of more than 30 years in the retail distribution, sales and marketing industry, which is the driving force behind the growth achieved by the company.

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

We operate our retail business with multiple brands. We have a portfolio of retail stores with different brands. We initially started our business operations with brand “Fonebox”, for our company owned stores as well as franchise stores. Further, we acquired famous mobilephone retail store brands such as “Fonebook” and “My Mobile” vide Business Purchase agreements from their respective owners in the year 2021. Over the years we have grown our operations by multiple stores acquisitions. We acquired business of other shops operating under their respective registered / unregistered brands in Financial years 2022. For more detail of said transaction, please refer to heading titled “Major events” in the chapter titled “History and Corporate Matters” beginning on page 161 of this Red Herring Prospectus.

We mainly operate under the brand name of  and . As on January 05, 2024 we operate from total 143 stores across the state of Gujarat. Out of 143 stores 39 stores are Company Owned and Company Operated retail outlets (“COCO Model”) and 104 stores are under Franchise Owned and Company Operated retail model (“FOCO Model”) distributed in more than 20 cities in Gujarat.

Our Company provides credit/EMI facilities to customers for buying our products for which our company has tied up with major leading credit houses like Bajaj Finance, HDB Financial Service, HDFC Bank and IDFC First Bank. Our Company in order to continue relationship with our valuable customers, we also provide after sale services related to mobile handsets and tablets in our own retail and franchisee outlets.

### AWARDS AND RECOGNITIONS:

Following is the list of awards and recognitions received by our company:

#### 1. From Samsung India

- a) Recognition as Member of President’s Club for Year 2021
- b) Recognition as Member of President’s Club for Year 2022
- c) Recognition as Member of President’s Club for Year 2023
- d) Recognition as Samsung Champion Flagship for Year 2022
- e) Recognition as Samsung Champion Value for Year 2022

- f) Recognition for High Value Growth for Year 2023
- g) Awesome 5G Ambassador by Samsung for Year 2023
- h) Certificate of Appreciation by Samsung for Year 2023

**2. From HDFC Bank**

- i) Certificate of Recognition from HDFC Bank for year 2021

**3. From Onsitego**

- a) Recognized as Emerging Partners in the year 2022
- b) Recognition as WOW champions in year 2023

**4. From Vivo**

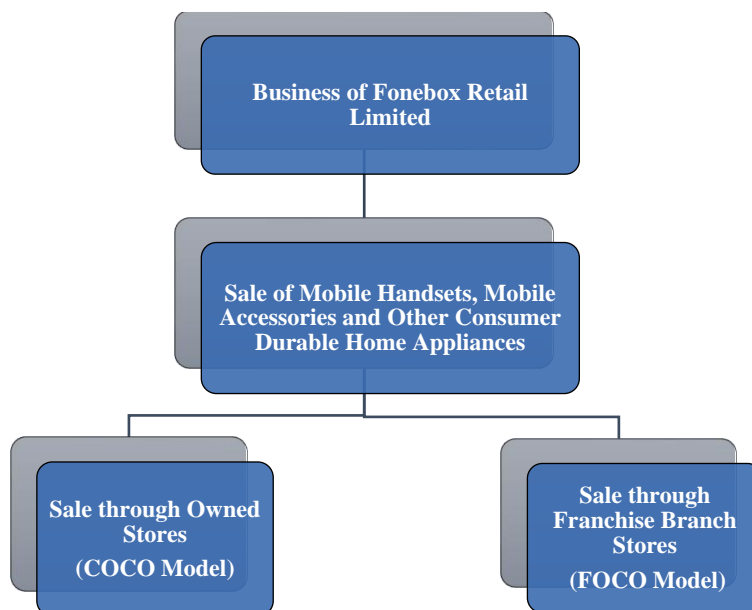
- a) Certificate of Membership for Vivo Crown Club for year 2022

**5. Other**

- a) Certificate of Excellence by Bajaj Finserv for year 2022
- b) Recognition as Legends of Gujarat by Divyabhaskar in the year 2022
- c) Recognition as Most Trusted & Fastest growing Mobile Retail Chain by Divyabhaskar in the Year 2022

**OUR BUSINESS MODEL**

We derive our revenue from 2 major business verticals:



Our Business Model comprised of two types:

- a) **Sale through Owned Stores (COCO Model):** Under this model, we sale mobile handsets, mobile accessories and other consumer durable home appliances through our owned stores. Our company as on January 05, 2024 owns and operates 39 stores strategically located in high-traffic areas across State of Gujarat. These stores serve as hubs for showcasing the latest smart phones, providing hands-on experiences, and delivering top-notch customer services. Our company directly operates its outlets or facilities. The company is responsible for all aspects of the operation, including staffing, management, maintenance, and overall business strategy.
- b) **Sale through Franchise Branch Stores (FOCO Model):** As on January 05, 2024, we sale mobile handsets, mobile accessories and consumer durable home appliances through 104 franchise retail outlets. All of 104 franchises, are operating on FOCO model. Under FOCO model, the company gives its brand name to the franchise at a pre-agreed franchise fee for a period of one to five years. In FOCO Model, we earn 1% of the total turnover achieved by respective franchises, where such stores are operated by franchise owner. The company gives its brand name **“Fonebox”**, **“Fonebook”**, or **“My Mobile”** to the franchise and the store is operated by franchise owner.

## LOCATIONAL PRESENCE

### STORE BIFURCATION

As on January 05, 2024 we operate from total 143 stores across the state of Gujarat. Out of 143 stores 39 are company owned retail outlets (“COCO Model”) and 104 are franchise owned and company operated branch retail stores (“FOCO Model”).

Sr No	Branch Name	Number of Stores under COCO Model as on January 05, 2024	Number of Stores under FOCO Model as on January 05, 2024
1	Fonebook	36	63
2	Fonebox	02	30
3	My Mobile	01	11
<b>Total</b>		<b>39</b>	<b>104</b>

### GEOGRAPHICAL BIFURCATION

As on January 05, 2024, we operate from total 143 stores across the state of Gujarat for sale of Mobile handsets, other accessories and other consumer durable home appliances. Following is the geographical bifurcation of the stores between the cities covered by the stores, within state of Gujarat.

City	Company Owned Store (COCO)	Franchise Owned Company Operated (FOCO)	Total
Ahmedabad	17	27	44
Amreli	-	1	1
Arvali	-	1	1
Banaskantha	1	-	1
Bavla	-	1	1
Becharaji	-	1	1
Bharuch	-	1	1
Bhavnagar	-	2	2
Bhiloda	-	1	1
Chiloda	-	1	1
Dehgam	1	-	1
Gandhidham	-	1	1
Gandhinagar	1	4	5
Jamnagar	-	1	1
Junagadh	-	2	2
Kadi	-	1	1
Kalol	-	2	2
Kapadwanj	-	1	1
Kheda	-	6	6
Mahesana	1	4	5
Mahuva	-	1	1
Modasa	-	1	1
Morbi	-	1	1
Porbandar	-	1	1
Rajkot	1	-	1
Sabarkantha	1	6	7
Sanand	-	1	1
Surat	14	4	18
Thara	-	1	1
Umreth	-	1	1
Vadodara	1	25	26
Valsad	1	-	1
Vijapur	-	1	1
Viramgam	-	1	1
Visnagar	-	1	1
Waghodiya	-	1	1

City	Company Owned Store (COCO)	Franchise Owned Company Operated (FOCO)	Total
<b>Total</b>	<b>39</b>	<b>104</b>	<b>143</b>

### REVENUE BIFURCATION AND KEY PERFORMANCE INDICATORS:

#### STORE CATEGORY WISE REVENUE BIFURCATION

The revenue bifurcation of the company for the period ended September 30, 2023 and for the last three financial years are as follows:

(Amount in ₹ Lakhs)

Particulars	For the Period/Year ended							
	September 30, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Revenue from Owned Stores	6182.96	44.24	11,512.42	58.79	5,916.84	65.09	0.52	5.19
Revenue from Franchise operating under FOCO Model	7792.88	55.76	8,070.17	41.21	3,173.89	34.91	9.41	94.81
<b>Total Revenue</b>	<b>13975.84</b>	<b>100.00</b>	<b>19,582.60</b>	<b>100.00</b>	<b>9,090.74</b>	<b>100.00</b>	<b>9.92</b>	<b>100.00</b>

#### PRODUCT WISE REVENUE BIFURCATION

The revenue bifurcation of the company for the period ended September 30, 2023 and for the last three financial years are as follows:

(Amount in ₹ Lakhs)

Particulars	For the Period/Year ended							
	September 30, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Revenue from Mobile and other mobile accessories	13534.12	96.84	19,258.99	98.35	9,025.53	99.28	9.92	100.00
Revenue from Other electrical gadgets and equipment	441.72	3.16	323.60	1.65	65.21	0.72	-	0%
<b>Total Revenue</b>	<b>13975.84</b>	<b>100.00</b>	<b>19,582.60</b>	<b>100.00</b>	<b>9,090.74</b>	<b>100.00</b>	<b>9.92</b>	<b>100.00</b>

#### KEY PERFORMANCE INDICATORS

##### Financial KPIs of our company

Particulars	For the Period/Year ended on			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	13975.84	19582.60	9090.74	9.92
Growth in Revenue from Operations (YoY %)	NA	115.41	91525.93	NA
Gross Profit (₹ in Lakhs)	1380.32	1913.16	818.19	0.43
Gross Profit Margin (%)	9.88	9.77	9.00	4.35

Particulars	For the Period/Year ended on			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
EBITDA (₹ in Lakhs)	239.00	346.24	83.90	(2.29)
EBITDA Margin (%)	1.71	1.77	0.92	(23.04)
Profit After Tax (₹ in Lakhs)	155.19	159.86	12.79	(2.36)
PAT Margin (%)	1.11	0.82	0.14	(23.84)
RoE (%)	27.54	118.20	35.24	(38.21)
RoCE (%)	18.81	34.55	17.02	(36.99)
Net Fixed Asset Turnover (In Times)	30.44	43.65	42.45	2.28
Net Working Capital Days	51	16	(2)	970
Operating Cash Flows (₹ in Lakhs)	(714.95)	(524.68)	90.66	6.88

## OUR PRODUCT PORTFOLIO

Our products offerings can be classified in two major categories as follows:

### 1. Mobile Handsets/Smart phones and allied accessories

We offer variety of smart mobile handsets and allied accessories. Following is illustrative list of the products categories offered by us.

- Smart mobile phones** of all major brands operational in India like Vivo, Oppo, Apple, Samsung, Redmi, Nokia, Narzo, Realme, One Plus, ITEL, Mi, Lava, Motorola, LG and Micromax to name a few.
- Tablets** of all major brands operational in India like Apple, Samsung, Lenovo to name a few.
- Mobile Accessories** for smart mobile phones and tablets like Screen Guard, Memory Card, Mobile Charger, Mobile Covers, Bluetooth earplugs, speakers, power banks etc.



Below are representations for few of the aforesaid gadgets:

		
<b>Smart Phones</b>	<b>Chargers</b>	<b>Bluetooth Earphones</b>
		
<b>Mobile Cover</b>	<b>Tablet</b>	<b>Speakers</b>

### 2. Consumer Durable Home Appliances

We offer variety of consumer durable appliances of multiple brands. We primarily deal in LED Televisions, Coolers, Air Conditioners, Laptops and its accessories.

Below are graphical representations for few of the said gadgets:

	
<p align="center"><b>LED Television</b></p>	<p align="center"><b>Air Conditioner</b></p>
	
<p align="center"><b>Laptop</b></p>	<p align="center"><b>Washing Machine</b></p>

**OUR COMPETITIVE STRENGTH**

**1. Experienced Promoters and Management Team:**

Our management team is having combined experience of more than 30 years in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoters Mr. Amitkumar Gopalbhai Patel, Mr. Jigneshkumar Dashrathlal Parekh, Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai lead the company with their vision. They have an adequate experience in the line of the business of retail selling of smart phones, allied accessories and consumer durable home appliances undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

**2. Widespread distribution network**

We sell our products through total 143 stores across the state of Gujarat for sale of Mobile Handsets/ smart phones, allied accessories and other consumer durable home appliances. Out of 143 stores 39 stores are company owned retail outlets and 104 stores are under franchise owned and company operated retail model (“FOCO Model”) distributed in more than 20 cities in Gujarat. Our widespread network provides us wide geographical presence in terms of coverage of different cities of the Gujarat state.

**3. Wide range of Products**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

**4. Strategic location and facilities**

The retail stores associated with our company has a product display for customers to try before purchasing them. The stores are strategically located in areas of high foot traffic drawing customers at all times of the day, on weekdays and weekends.

**BUSINESS STRATEGY**

### 1. Improve Sales

We currently sale through 143 stores spread across Gujarat. Our plan is to improve the sales by opening retail stores in Tier 2 and Tier 3 towns. This will enable us to grab better market size. We intend to expand our foot print across all states in Western India. Our Company further intends to reduce the overhead costs which will spread out over time. Further, in advent of the post-GST era and implementation of e-way bill, the consumer electronics retail industry which is largely dominated by unorganized players will witness some shift towards organized and established players, increasing their focus on lower middle-class segment.

### 2. Leveraging our market skills and relationship

The business of our Company is customer oriented and always strives to maintain good relationship with the customers. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. Our Company provides effective follow-ups with customers which ensure that the customers are satisfied with the product and do not have any complain.

### 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.

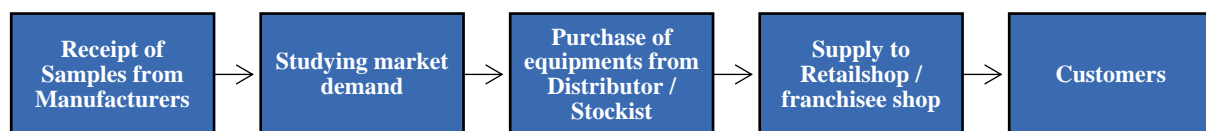
### 4. Maintaining edge over competitors

We intend to continue to enhance scale in existing products and introduce new products across high end and mid segment to capitalize on the opportunity to cater rising acceptance and demand of new products. Our wide product range provides us competitive edge over our competitors. In order to maintain our competitive edge, we will continue to add newer products to our products portfolio.

## BUSINESS PROCESS

### Trading of Electric Devices and Accessories

The Process flow of trading business of Electric Devices and Accessories is described below:



- ***Receipt of Sample Devices from Manufacturers***

We receive sample devices from different manufacturers as part of their market research. The said devices are analyzed with regards to its potential demand in the market.

- ***Studying market demand***

Being operative in market for a notable period, our management understands frequent change in customer preference for designs trends and obsolescence of technology, over a period of time. Depending upon the projected demand of the devices received, we finalize our product mix for stock.

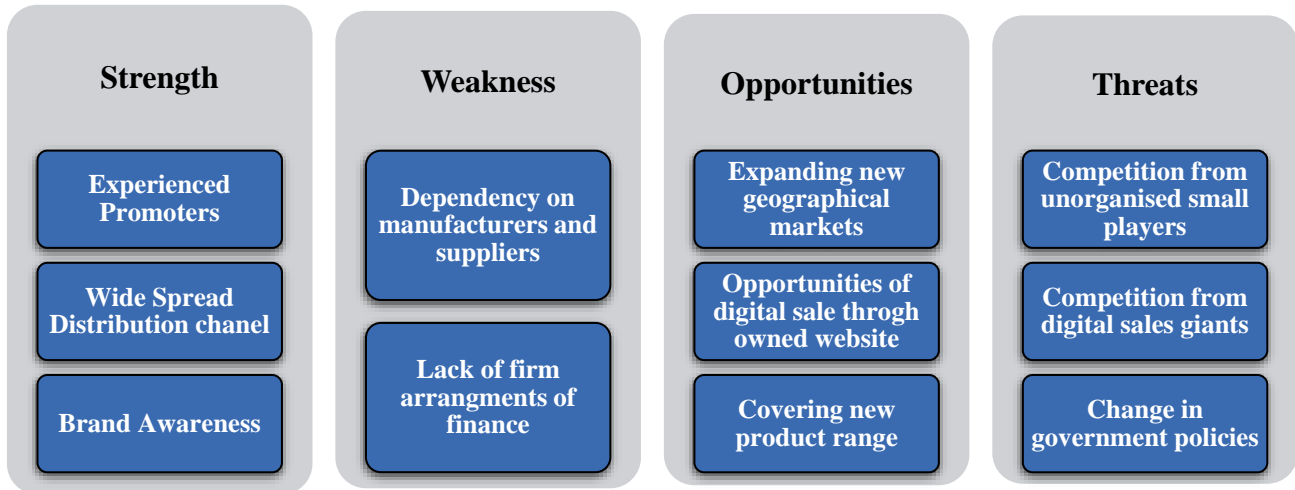
- ***Purchase of devices from manufacturers/distributors/stockiest***

Depending upon the finalized product mix, we order the devices from manufacturers or their authorized distributors. We store the ordered devices in the owned stores or separate storage space, depending upon the requirement.

- ***Supply to owned stores/franchisee stores***

We supply the devices to the own stores, franchisee stores, depending upon their demand. For this, we depend upon third party transportation service. The electric devices are further sold to the consumer by the said stores.

## SWOT ANALYSIS



**COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS**

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

**MARKETING**

We have a dedicated marketing department in the company. We undertake marketing in a traditional way in guidance of our promoters through marketing team. Our marketing plan comprises advertising in print media, social media, electrical media etc. We also undertake various sales promotion campaigns in various events.

Some of our marketing activities are described below

- Public relations** – Our Company focuses on opportunities to raise our brand awareness through non-paid publicity activities such as articles, features and reviews.
- Advertising** – Our Company plans to appoint suitable external agency for print as well as electronic media based on a marketing plan.
- External displays** - Our team creates posters, banners and other point of sale material for promotional activities.

**END USERS**

Our Target end users are individual customers, corporate customers, Household, offices and other industries.

**PLANT AND MACHINERIES**

Our company is engaged in the business of trading of consumer durable electronic goods. Hence, details with regards to Plant and Machineries is not applicable. However, our company has sufficient office equipment like Air Conditioner, Computer and Laptops.

**CAPACITY AND CAPACITY UTILIZATION**

Our company is engaged in the business of trading of consumer durable electronic goods. Hence, details with regards to Capacity and Capacity Utilization is not applicable.

**COMPETITION**

Our Company is into retail selling of consumer electronics, and have to compete with organized and as well as unorganized players in the industry with better financial position, market share, product ranges, human and other resources. Branding and marketing are the key factors in the industry where larger players are in a better position to market their products.

We have continued competing vigorously to capture more market share and manage our growth in an optimal way. To that effect, we have been launching newer products across different grades and quality in the market to cater and penetrate in newer society segment and geographical region.

**RAW MATERIAL**

Our company is engaged in the business of trading of mobile handsets, allied accessories and other consumer durable electronic goods. Further, all the products sold by us is itself end products which are ready to sell directly to our customers. Hence, details with regards to Raw Material is not applicable to us.



## UTILITIES AND WATER

### **POWER**

Our business does not have heavy electricity consumption, except to cater to normal requirements of the offices / showrooms. We sufficient sanctioned consumption limits from Torrent Power/State Electricity Boards of respective state where our offices, branch offices are situated.

### **WATER**

Water is required only for drinking and sanitary purpose and adequate water resources are available at the existing premises.

## PACKING

Our company is engaged in the business of trading of consumer durable electronic goods. Hence, details with regards to Packing is not applicable to us.

## HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth.

As on January 01, 2024, we have the total 130 Employees. Department wise bifurcation is provided below:

Sr. No.	Category of Employees	No. of Employees
1.	Sales and Marketing	91
2.	Accounts and Finance	22
3.	Administration	04
4.	Legal and Secretarial	02
5.	Others	11
	<b>Total</b>	<b>130</b>

## EXPORTS & EXPORTS OBLIGATIONS

As on the date of this Red Herring Prospectus, our Company does not have any Export Obligation.

## DISTRIBUTION NETWORK AND SIGNIFICANT ARRANGEMENT

As on January 05, 2024, our company has presence in major cities of State of Gujarat. Our company focuses on building long term relationships with our franchisee distributors and have grown a widespread distribution network rapidly, in both Tier 2 and Tier 3 cities. As on January 05, 2024, we operate from total 143 stores across the state of Gujarat for sale of Electric Gadgets and other accessories.

**The details of Company Owned Stores are stated below:**

Sr No	City	Address of the Store	Branch Name
1.	Ahmedabad	Ground Floor 6/1, Rajiv Complex, Opp. Maninagar Police Station, Rambaug, Maninagar, Ahmedabad - 380008.	Fonebook-Maninagar Man-05
2.	Ahmedabad	3 Kanak Kala, Opposite Rahul Tower, Anand Nagar Road, Satellite, Ahmedabad - 380015.	Fonebook-Seema Hall
3.	Ahmedabad	116,117 Prarthana Complex, Opp. Dinesh Chamber, Nr. Kakadiya Hospital, Bapunagar, Ahmedabad - 380024.	Fonebook-Bapunagar2
4.	Dehgam	Shop No 9 Man Avenue, Opp. Auda Garden, Dehgam - 382305.	Fonebook-Dehgam
5.	Surat	Block Number 149, Plot No. 2198, Harsh Bungalows, Om Nagar, Dindoli, Surat - 394210.	Fonebook-Dindoli
6.	Gandhinagar	G-03, Plot No.231, Haveli Arcade, Sector No.11, Gandhinagar, Gandhinagar - 382010.	Fonebook-Gandhinagar11
7.	Sabarkantha	Ground Floor, Block D, Shop.No.84, New Durga Bazar, Near Durga Bazar, Himatnagar, Sabarkantha - 383001.	Fonebook-Himmatnagar
8.	Ahmedabad	3/B, Isanpur Opp., Radhakrishna Society, Isanpur, Ahmedabad - 382443.	Fonebook-Isanpur
9.	Ahmedabad	7, Dev Arcade, Iscon Circle, S G Road, Ahmedabad - 380015.	Fonebook-Iscon
10.	Ahmedabad	Shop No.1,2,3,4, Hansraj Complex, Krishnabaug Char Rasta, Maninagar, Ahmedabad - 380008.	Fonebook-Maninagar Man-04
11.	Ahmedabad	Shop No. A/13, Galaxy Avenue Complex, Near Galaxy Cinema, Naroda, Ahmedabad - 382330.	Fonebook-Naroda 2
12.	Ahmedabad	Shop.No.28,29, Poojan Complex, Nr. Rajhans Cinema, Kanj Mall Cross Road, Nikol, Ahmedabad - 382350.	Fonebook-Nikol
13.	Banaskantha	18,19, Ground Floor, Tower-A, New Bus Depot, Palanpur, Banaskantha - 385001.	Fonebook-Palanpur2
14.	Surat	Shop.No.16 Ground Floor, Gopal Nagar, Shopping Center, Near. Piyush Point, Pandesara, Surat - 395002.	Fonebook-Pandesara
15.	Rajkot	Keshav Arcade, Shop.No. 3 & 4, Pedak Road,Ranchhodnagar-2 Pakor, Rajkot - 360003.	Fonebook-Pedak Road
16.	Ahmedabad	279/7, Parmanand Patel Ni Chali, Opp. Gujarat Radio, Rakhiyal, Ahmedabad - 380021.	Fonebook-Rakhiyal
17.	Surat	Block.No.1, Ground Floor, Ramnagar Colony, Rander, Surat - 395009.	Fonebook-Rander 2 Srt
18.	Surat	Shop No 2/3 Dreamland Shopping, Nr. Takshashila Arcade Sarthana Jakatnaka Kamrej Road, Surat - 395006.	Fonebook-Sarthana Srt

Sr No	City	Address of the Store	Branch Name
19.	Ahmedabad	Shop No.15, Sardar Patel Shopping Center, Shastrinagar, Naranpura, Ahmedabad - 380013.	Fonebook-Shastrinagar
20.	Ahmedabad	U1 -02, Maruti Towers Opp. Shivranjani BRTS Bus Stop, Shivranjani Junction, Satellite, Ahmedabad - 380015.	Fonebook-Shivranjani
21.	Vadodara	A-11, Janki Nagar, Opp. Anand Van Complex, Beside Hero Motors, Subhanpura, Vadodara - 390023.	Fonebook-Subhanpura
22.	Valsad	Shop. No. 3 & 4 Netaji Shubhash Chandra Bose Shopping Center, Stadium Road, Valsad - 396001	Fonebook-Valsad
23.	Ahmedabad	Shop.No.61,62, Ground Floor, Satva Icon, Metro Junction, Vastral Road, S.P.Ring Road, Ahmedabad - 382418.	Fonebook-Vastral 2
24.	Surat	Ground Floor, Plot No 20, Pandol Ind Society, Ved Road, Surat - 395004.	Fonebook-Ved Road
25.	Ahmedabad	1/4 Jay Jagannath Colony, B/H GIDC, Ghanshyamnagar Road, Odhav, Ahmedabad - 382415.	Fonebook-Viratnagar
26.	Ahmedabad	Survey No. 00203-2, 8201-1,94-2, Jai Raghunath Society, Shivam Vidhayalaya, Krushnanagar, Saijpur Bogha, Ahmedabad - 382346.	Fonebook-Krishnanagar
27.	Ahmedabad	702-703 Satyam 64, Opp. Gujarat High Court, S.G Highway, Ahmedabad - 380060.	Head Office
28.	Ahmedabad	701, Satyam 64, Opp. Gujarat High Court, S.G Highway, Ahmedabad - 380061.	Ho-Acc Ahmedabad
29.	Surat	Building No. 2, Shop No 4, Ankur Society, Adajan, Surat - 395009.	Fonebook-Adajan
30.	Surat	Shop No -29, Gr Floor, Rajhans Olympiya Complex, Bhatar Road Nr Naher, Surat, Gujarat, 395017	Fonebook -Bhatar
31.	Surat	Shop No 1/2, Oasis Corner, Dhanmora Char Rasta, Singanpor Road, Surat - 395004.	Fonebook -Katargam
32.	Surat	Shop No B/9, Gurukripa Society, Lp Savani Road, Adajan, Surat - 395009.	Fonebook -Lp Savani
33.	Surat	Shop No 135,136,136 Poddar Arcade, Opp Khand Bazar Varachha Road, Surat - 395006.	Fonebook -Poddar Market
34.	Surat	Shop No 2 Deepanjali Society, Palanpur Jakatnaka Road Rander, Surat - 395009.	Fonebook -Rander
35.	Surat	Shop No 12-13 Ambedkar Shopping Center, Opp Kinaar Cinema Ring Road, Surat - 395002.	My Mobile-Ring Road
36.	Surat	Shop No 20 To 21, City Center, Nr Swastik Plaza, Yogi Chok, Varachha Road, Surat - 395006.	Fonebook -Yogi Chowk
37.	Mahesana	Shop No. 7 & 8, Ground Floor Shop in E Block of Joyce Hubtown, Mehsana - 382715.	Fonebook-Mahesana
38.	Surat	G-31, 32, Ground Floor, Luprit Arcade, Olpad, Surat-394540.	Fonebook-Olpad

Sr No	City	Address of the Store	Branch Name
39.	Ahmedabad	39 Siddhi Vinayak Arcade, Girnar Scooter Compound, Odhav Ring Road Circle ODHAV, AHMEDABAD - 382415.	Fonebook-Odhav Ring Road

**The details of Franchise Owned Stores are stated below:**

SSr No	City	Address of the Store	Branch Name
1.	Bharuch	Shop.No.1 Ground Floor, Opp. SBI Bank, Chota Bazar, Ankleshwar, Bharuch - 393001.	Fonebook-Ankleshwar
2.	Ahmedabad	15/16,Gf,Royal Tower, Near. Chhipa CoMy Mobileunity Hall, Astodia, Gollimda Road, Ahmedabad - 380001.	Fonebook-Astodia
3.	Bavla	Shop.No.23, Ground Floor, Zaveri Market, Bavla - 382220.	Fonebook-Bavla
4.	Bhavnagar	Shop.No.10/A And 10/B, Ground Floor, Sun Corporate Building, Opp. Madhav Darshan, Vaghwadi, Bhavnagar - 364001.	Fonebook-Bhavnagar
5.	Bhiloda	Shop. No B/Ff/8, Near. Sagar Plaza, Near Hathimati, Bridge, Bhiloda Idar Road, Bhiloda, Sabarkantha, Bhiloda - 383245.	Fonebook-Bhiloda
6.	Ahmedabad	Gf-5, Aaradhya, Nr. Chitvan Society, Bopal Village Taluka Daskroi, District Ahmedabad, Ahmedabad - 380058.	Fonebook-Bopal
7.	Ahmedabad	A/1,Anand Nagar Society, Gota Road, Chandlodiya, Ahmedabad - 382481.	Fonebook-Chandlodiya
8.	Ahmedabad	A/1,Anand Nagar Society, Gota Road, Chandlodiya, Ahmedabad - 382481	Fonebook-Chandlodiya 1
9.	Vadodara	Shop.No.4,Nagar Panchayat Shopping Centre, Behind Bus Stop, Chhani, Vadodara - 391740.	Fonebook-Chhani
10.	Ahmedabad	Shop No 6, Farooq AlimuhaMy Mobilead House, Shakti Soc. Group-A, Gate-4,Danilimda Cross Road, Danilimda, Ahmedabad - 380028.	Fonebook-Danilimda
11.	Gandhidham	Shop.No.26,Ground Floor, Om Corner, Plot No., 336,337,&343, Ward-12 B, Gandhidham, Kutch - 370201.	Fonebook-Gandhidham2
12.	Ahmedabad	1945, Magan Kumar's Chawl, Nr. Kamdar Medan, Gomtipur, Ahmedabad- 380021.	Fonebook-Gomtipur
13.	Vadodara	C-15, Radhakrishna Society, Refinery Road, Gorwa, Vadodara - 390016.	Fonebook-Gorwa
14.	Vadodara	C-89,Ground Floor, Sara Nagar Society, Opp. Yash Complex, Gotri, Vadodara - 390021.	Fonebook-Gotri
15.	Mahesana	5095 C J Complex, Goziria Char Rasta, Goziria GIDC, Mahesana - 384470.	Fonebook-Gozariya

SSr No	City	Address of the Store	Branch Name
16.	Ahmedabad	Shop.No.7,8, Shivangi Apartment, Door Darshan, Tower Road,Near.Vaibhav Laxmi Mandir, Thaltej, Ahmedabad - 380059.	Fonebook-Gurukul
17.	Vadodara	Ground Floor, Shop.No.2, Dinkey's Avenue, Hari Nagar Panch Rasta, Gotri, Vadodara - 390021.	Fonebook-Harinagar
18.	Sabarkantha	101,Jhanvi Tower, Opp. Idar Bus Stop, Idar, Sabarkantha - 383430.	Fonebook-Idar
19.	Vadodara	Ground Floor, Abhilasha Complex, Opp. Inox Multiplex, Race Course, Vadodara - 390007.	Fonebook-Inox
20.	Jamnagar	0,Near Ashok Bakery, Limdalane, Jamnagar - 361001.	Fonebook-Jamnagar
21.	Ahmedabad	Shop.No.7, Jivan Estate, Near Pancham Mall, Nikol Road, Ahmedabad - 382350.	Fonebook-Jivan Vadi
22.	Kadi	74 ,Sardar Shopping Centre, Station Road Kadi, Kadi - 382715.	Fonebook-Kadi
23.	Kapadwanj	Shop No : - 1, Sabir Ice Factory Opp. Town Hall, Kapadwanj, Village Kapadwanj, Kapadwanj - 387620.	Fonebook-Kapadwanj
24.	Vadodara	D-22, Sundarvan Society, Opp. Sai Baba Mandir, Paani Ni Tanki Road, Karelibaug, Vadodara - 390018.	Fonebook-Karelibaug
25.	Vadodara	Shop.No.2,Old APMC Nava Bazar, Opp. Shak Market, Karjan, Vadodara - 391240.	Fonebook-Karjan
26.	Kheda	A-3, Ambica Complex, Near S T Stand, Kheda, Kheda - 387411.	Fonebook-Kheda
27.	Sabarkantha	Shop. No. 4/1/7, Parbadi Chowk, Khedbrahma, Sabarkantha - 383255.	Fonebook-Khedbrahma
28.	Ahmedabad	Shop.No.10,Municipal Market, Khokhra Circle, Nr. Bank Of Baroda, Khokhra, Ahmedabad - 380008.	Fonebook-Khokhra
29.	Ahmedabad	0,Shop Number-6, Shreenath Residency, Opp. Rajendra Residency, Aslali Highway, Narol, Ahmedabad - 382405.	Fonebook-Lambha
30.	Mahuva	Shop.No.2,Dolariya Complex Beside Bombay Guest House, Juna Bagicha Chowk, Vasi Talav Road, Mahuva - 364290.	Fonebook-Mahuva
31.	Vadodara	Shop.No.18 Guruom Shopping, Manjusar, Savli Pilol GIDC, Savli, Vadodara - 391775.	Fonebook-Manjusar
32.	Morbi	Ground Floor, Shop.No.8. Geeta Shopping Center, Bapa Sitaram, Chowk, Ravapar Road, Old Morbi, Morbi - 363641.	Fonebook-Morbi
33.	Chiloda	Shop.No-3, Ground Floor, Akshar Complex, Mota Chiloda, Gandhinagar - 382355.	Fonebook-Mota Chiloda
34.	Ahmedabad	A37/A38, Galaxy Avenu, Near Galaxy Cinema, Opp. HDFC Bank, Naroda., Ahmedabad - 382330.	Fonebook-Naroda
35.	Ahmedabad	Shop.12a, Hiradhan Halycon, Behind Satymev Hospital, Chandkheda, Ahmedabad - 382424.	Fonebook-New Chandkheda

SSr No	City	Address of the Store	Branch Name
36.	Ahmedabad	Shop.No.1 Sun Residency, Near. Nisan Residency, Anand Party Plot Road, New Ranip, Ahmedabad - 382470.	Fonebook-New Ranip
37.	Ahmedabad	Shop.No.20 Rhythm Plaza, Amar Jawan Circle, Nikol, Ahmedabad - 382350.	Fonebook-Nikol2
38.	Vadodara	D-19 G-Floor, Taskand Soc, Nizampura, Vadodara, Vadodara - 390024.	Fonebook-Nizampura
39.	Ahmedabad	11, Shankar Shopping Center, Opp. Kwick Metal, Odhav, Ahmedabad - 382415.	Fonebook-Odhav
40.	Vadodara	Shop No.101/7 First Floor Akshar Plaza, Padra, Vadodara - 391440.	Fonebook-Padra
41.	Ahmedabad	Nilkanth Avenue 23, Nr. Kailsh Estate, Odhav Ring Road, Ahmedabad - 382415.	Fonebook-Palm Hotel
42.	Sabarkantha	Shop. No. 9 And 10, Chistiya Complex, Aproach Road, Prantij, Sabarkantha - 383205.	Fonebook-Prantij
43.	Sanand	29, Sattadhar Society, Opp. Somnath Bus Stand, Sanand, Sanand - 382110.	Fonebook-Sanand
44.	Amreli	0, Mahuva Road, Opp. Balmandir Complex, Savarkundla, Amreli - 364515.	Fonebook-Savarkundla
45.	Vadodara	Shop.No.6, Tower A, Adhik Plaza, Savli, Vadodara - 391770.	Fonebook-Savli
46.	Ahmedabad	F-12/13, Suvas Complex, Above ICICI Bank, Nr. Unnati Petrol Pump, Shahibaug, Ahmedabad - 380004.	Fonebook-Shahibaug
47.	Ahmedabad	Shop No A-147, Popular Plaza CoMy Mobileercial Complex, 132 Feet Circular Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015.	Fonebook-Shyamal
48.	Mehsana	Krishna Arcade, G-6, Siddhpur Village, Dis. Patan, Siddhapur - 384151.	Fonebook-Sidhhpur
49.	Ahmedabad	Ground Floor, Shop.No.5, Kaveri Complex, Opp. Subhash Bridge, Opp. Rtokacheri. RTO Circle, Ahmedabad - 380027.	Fonebook-Subhashbridge RTO
50.	Vadodara	Shop.No.11/12/13, Sarad Nagar, Shopping Center, Tarsali, Vadodara - 390009.	Fonebook-Tarsali
51.	Thara	G-1,2, Gurukrupa Complex, Chitrakut Society, Thara, Kankrej, Banaskantha - 385555.	Fonebook-Thara
52.	Umreth	Shop No. 3002, Masjid Ni Street, Vada Bazar, Umreth Anand, Umreth - 388220.	Fonebook-Umreth
53.	Mahesana	Shop.No.3., Kanya Chhatralaya Bus, Station Road, Unjha, Mahesana - 384170.	Fonebook-Unjha
54.	Ahmedabad	Shop No 31,32, Swaminarayan Park-1, Narayan Chawk, Opp. Narayan Farm, Vastral, Ahmedabad - 382418.	Fonebook-Vastral
55.	Ahmedabad	0, Amrapali Co. Opp. Housing Soc. Ltd, Ajay Tenament Number 5 Road, Vastral, Ahmedabad - 382418.	Fonebook-Vastral 3

SSr No	City	Address of the Store	Branch Name
56.	Vijapur	6/A, Parth Complex, Opp TB Hospital, Vijapur Mehsana, Vijapur - 382870.	Fonebook-Vijapur
57.	Viramgam	1st Floor, Golwadi Gate Bahar, Viramgam, Viramgam - 380022.	Fonebook-Viramgam
58.	Visnagar	17- A , 17- B , Nanak Plaza Market, Bus Station Road, Visnagar, Mahesana - 384315.	Fonebook-Visnagar
59.	Waghodiya	Shop. No. 29, Shijivilla, B/H D-Mart, Waghodiya Road, Vadodara - 390019.	Fonebook-Waghodia
60.	Vadodara	Gf 13,14, Abhilasha Squere, New Sama Road, Sama Gaon, Vadodara - 390024.	Fonebox-Abhilasha
61.	Surat	Shop. No.1 , Ankur Shopping Center-3, Near. Sardar Bridge, Surat - 395009.	Fonebox-Adajan
62.	Vadodara	781, Nr. Jagdamba Dairy, Dashrath, Vadodara - 391740.	Fonebox-Dashrath
63.	Vadodara	Ground Floor, Gf-6, Serene Edifice, 30 Meter Harni-Sama Link Road, Harni, Vadodara - 390022.	Fonebox-Harni
64.	Kalol	Shop. No. G-11, City Mall-2, Navjivan Mill Compound, Kalol, Gandhinagar - 382721.	Fonebox-Kalol
65.	Vadodara	0,Opp Sevasadan, Nava Bazar Karjan, Nr. Hathibaug, Karjan, Vadodara - 391240.	Fonebox-Karjan 2
66.	Vadodara	B/5 Rushikesh Society, Near Mangal Murti Complex, Opp Panasonic Makarpura, Vadodara - 390024.	Fonebox-Makarpura
67.	Ahmedabad	Shop.No.17,18 Sangni Platinum, Opp. Shalin Heights, Near. Akruti Township, Aslali Highway, Narol, Ahmedabad - 382405.	Fonebox-Narol
68.	Ahmedabad	Shop No.8, Ground Floor, Royal Regency, Shree Ram Chowk, Nava Naroda, Ahmedabad - 382345.	Fonebox-New Naroda
69.	Vadodara	Gf Thirthan Avenue, Opp Devdeep Complex, Nizampura, Vadodara - 390002.	Fonebox-Nizampura 2
70.	Sabarkantha	City Center, Bhankhariya At & Po, Prantij, Sabarkantha - 383205.	Fonebox-Prantij
71.	Vadodara	Shop.No.34, Marble Arch, Race Course Road, Vadodara - 390007.	Fonebox-Race Course
72.	Ahmedabad	404/10 Ganjifrak Mil Ni Chali, Rakhiyal Road,Rakhial, Ahmedabad - 380021.	Fonebox-Rakhiyal
73.	Vadodara	Shop No. 3 Kalpu Complex, Near GIPCL Circle, Sama Road, Vadodara - 390008.	Fonebox-Sama
74.	Vadodara	Gf-1,Bage Mariyam, Vadi, Navapura Naka, Rangmahal, Vadodara - 390017.	Fonebox-Wadi
75.	Vadodara	B-14, Mahavir Park Society Ground Floor, Wali Dukan, Waghodia Road, Vadodara - 390019.	Fonebox-Waghodia

SSr No	City	Address of the Store	Branch Name
76.	Gandhinagar	Shop.No.4, President Complex, Sector-11, Gandhinagar - 382010.	Fonebox-Gandhinagar11
77.	Gandhinagar	Shop.No.5, Ground Floor, President Complex,Sector-11, Gandhinagar - 382010.	My Mobile- Gandhinagar Sector 11
78.	Vadodara	Ff/10 Labh Business Hub, Beside Jay Narayan Society, Karodia Road, Gorwa, Vadodara, Vadodara - 390016.	My Mobile-Gorwa
79.	Junagadh	Gf-21-22, Platinum Complex, Jayshree Road, Junagadh Agricultural University, Junagadh - 362001.	My Mobile-Junagadh
80.	Vadodara	A-Gf-19,White Pearl, Jakatnaka, Padra, Vadodara, Vadodara - 391440.	My Mobile-Padra
81.	Surat	Shop.No.10, Behind Dev Darshan, Society Nehar, Palanpur Gaam, Surat - 395009.	My Mobile-Palanpor
82.	Ahmedabad	Shop.No.9,Vihal Shopping Center, India Colony Road,Thakkarbapa Nagar, Ahmedabad - 382350.	My Mobile-Thakkarbapanagar
83.	Gandhinagar	Shop.No.406, Devkarna Na Muvda Mukhya Bazar, Gam Panchayat, Devkaran Na Muvada, Dehgam, Gandhinagar - 382305.	Fonebox-Devkaran Muvda
84.	Gandhinagar	Shop No -7, President Complex, B/H Vijay Petrol Pump, Opp. Shalin Complex, Gandhinagar - 382010.	My Mobile-Gnr
85.	Junagadh	11, Ground Floor, Haresh Talkies, Kalva Chowk, Junagadh - 362001.	Fonebox-Junagadh
86.	Kalol	G-1 City Mall, Navjivan Shopping, Kalol, Gandhinagar - 382721.	My Mobile-Kalol
87.	Kheda	Shop.No.16, Navin Market, J.B. Mehta Hospital Road, Kapadvanj, Kheda - 387620.	My Mobile-Kapadvanj
88.	Surat	Shop.No.3, Ground Floor, Pramukh Darshan Appartment, Nr. Pipal Char Rasta, Katargm, Surat - 395004.	Fonebox-Katargam
89.	Kheda	G-3,Sagar Complex, Kathlal Bypass, Kathlal, Kheda - 387630.	Fonebox-Kathlal
90.	Kheda	Shop No 4, Raja Shopping Center, Kheda - 387411.	Fonebox-Kheda
91.	Kheda	Shop.No.9 And 15, Siddhi Vinayak Complex, Station Road, Mahemdabad, Kheda - 387130.	Fonebox-Mahemdabad
92.	Bhavnagar	Shop.No.25, Ananddhan Complex, Near. New S.T.Bus Stand, Mahuva, Bhavnagar - 364290.	Fonebox-Mahuva
93.	Arvalli	Shop.No.218, Bajpai Shoping, Modasa Bypass, Arvalli - 383315.	Fonebox-Modasa
94.	Ahmedabad	A-35, Galaxy Avenue Co. Op. Ho. So. Ltd., Near Galaxy Cinema, Naroda, Ahmedabad - 382330.	My Mobile-Naroda
95.	Vadodara	Sb-32, National Plaza, R.C.Dutt Road, Alkapuri, Vadodara - 390007.	My Mobile-Baroda



SSr No	City	Address of the Store	Branch Name
96.	Kheda	Shop.No.16, Himalaya Tower, Nr. Hanumanji Temple, Kapadvanj, Kheda - 387620.	Fonebox-Kapadvanj
97.	Porbandar	0, Nr.Swaminarayan Temple, Opp.Hotel, Indrapasth,S T Road, Porbandar - 360575.	Fonebox-Porbandar
98.	Becharaji	BG-3, Prahlad Bazar, Opposite Umia Wadi, Shankhalpur Road,Mehsana, taluka Becharaji Gujarat - 384210	Fonebook-Bahuchraji
99.	Surat	SHOP.NO.65, LAXMI MARKET, OPP.BUS STAND, MANDVI, SURAT- 394160.	Fonebook-Mandvi
100.	Modasa	SHOP.NO.G-13, SHREE RAM CITY CENTER, MODASA VILLAGE, ARVALI 383315.	Fonebook-Modasa
101.	Sabarkantha	SHOP NO. C-GF - 17,18 TALOD GAM TALUKA TALOD DIST. SABARKANTHA GUJARAT 383215	Fonebook-Talod
102.	Ahmedabad	GF-14, Platinum Arcade, Near Ghodagadi Stand, Sanand, Ahmedabad, Gujarat 382110	Fonebox-Sanand
103.	Sabarkantha	SHOP.NO.203, FIRST FLOOR, TALOD VILLAGE, SABARKANTHA GUJARAT 383215	Fonebox-Talod
104.	Mahesana	SARDAR CHOWK OPP. JAIN DERASAR, NR. SANJEEVANI HOSPITAL, STATION ROAD, UNJHA, GUJARAT 384170	Fonebox-Unjha

#### DETAILS OF IMMOVABLE PROPERTY

The Details of Immovable property rented by our company is mentioned below:

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
1.	December 20, 2022	Shah Jayantilal Motilal	Shadab Ahmed Kadri on behalf of Fonebox Retail Private Limited	Shop.No.1 Ground Floor, Opp. SBI Bank, Chota Bazar, Ankleshwar, Bharuch - 393001.	Branch Office	32,000.00	3 Years starting from January 01, 2023
2.	August 17, 2023	Patel Nikul Kumar Ramanbhai	Fonebox Retail Private Limited	BG-3, Prahlad Bazar, Opposite Umia Wadi, Shankhalpur Road, Mehsana, Taluka-Becharaji - 384210.	Branch Office	100.00	3 Years starting from August 17, 2023
3.	June 14, 2022	Shah Yatinkumar Manoharlal	Fonebox Retail Private Limited	116,117 Prathna Complex, Opp. Dinesh Chamber , Near Kakadiya Hospital, Bapunagar, Ahmedabad - 380024.	Branch Office	11,000.00	9 Years starting from June 14, 2022
4.	March 30, 2023	Kathiwala Riyaz Abdulmajid	Fonebox Retail Private Limited	Shop.No.10/A And 10/B, Ground Floor, Sun Corporate Building, Opp. Madhav Darshan, Vaghwadi, Bhavnagar - 364001.	Branch Office	100.00	2 Years starting from April 01, 2023
5.	August 19,	Manjualben	Fonebox Retail Private	Shop.No.4, Nagar Panchayat Shopping	Branch Office	1.00	11 Months from

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
	2022	Jayantilal Patel	Limited	Centre, Behind Bus Stop, Chhani, Vadodara - 391740.			August 01, 2023
6.	August 01, 2021	Chinubhai Bhikhbhai Valand	Fonebox Retail Private Limited	Shop No 9 Man Avenue, Opp. Auda Garden, Dehgam- 382305.	Branch Office	16,000.00	9 Years Starting from August 01, 2021
7.	May 01, 2023	Laxminarayan Ramcharan Goswami	Fonebox Retail Private Limited	Block Number 149, Plot No.2198, Harsh Bungalows, Om Nagar, Dindoli, Surat - 394210.	Branch Office	34,000.00	11 Months Starting from May 1, 2023
8.	March 11, 2023	Om Praksh Jiandani for Ganshyam Jiandani HUF	Fonebox Retail Private Limited	Shop.No.26, Ground Floor, Om Corner, Plot No., 336, 337, & 343, Ward-12B, Gandhidham, Kutch - 370201.	Branch Office	N. M.	5 Years
9.	March 01, 2022	Natvarbhai Jivebhai Patel and Manguben Natvarbhai Patel 3) Ami Deepak Patel	Fonebox Retail Private Limited	G-03, Plot No.231, Haveli Arcade, Sector No.11, Gandhinagar - 382010.	Branch Office	1,75,000.00	5 Years starting from March 01, 2022
10.	May 01, 2023	Ansari Mohammad Vasim Mohammad Yashin	Fonebox Retail Private Limited	1945, Nr. Kamdar Medan, Gomtipur, Ahmedabad- 380021.	Branch Office	30,000.00	11 Months starting from May 01, 2023
11.	June 24, 2022	Vohra Ashif Mohammad Haroon Bhai	Fonebox Retail Private Limited	C-15, Radhakrishna Society, Refinery Road, Vadodara - 390016.	Branch Office	1.00	3 Years starting from June 24, 2022
12.	August 23, 2022	Brambhatt Deepali Janakbhai	Fonebox Retail Private Limited	C-89,Ground Floor, Sara Nagar Society, Opp. Yash Complex, Gotri, Vadodara - 390021.	Branch Office	40,000.00	11 Months starting from September 15, 2022
13.	August 09, 2022	1) Patel Bhartiben Chandreshkumar, Patel Chandreshkumar Chanalal	Fonebox Retail Private Limited	5095 C J Complex, Goziria Char Rasta, Goziria GIDC, Mahesana - 384470.	Branch Office	8,400.00	3 Years starting from August 09, 2022
14.	September 01, 2023	1) Nayak Balchandra Maganlal 2) Nayak Reeta Bhalchandra	1) Rajkumar Bhalchandra Nayak 2) Bhavesh Vaishnav Madanlal on behalf of Fonebox Retail Private Limited	Shop.No.7,8, Shivangi Appartment, Door Darshan Tower Road, Nr. Vaibhav Laxmi Mandir, Thaltej, Ahmedabad - 380059.	Branch Office	30,000.00	Till August 30, 2024
15.	March 01,	Chandraprakash	Sachin Arora on behalf	Ground Floor,Shop.No.2,Dinkey's	Branch Office	19,500.00	11 Months

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
	2023	Balmukund Katlana for Krishnaben Chandraprakash Katlana	of Fonebox Retail Private Limited	Avenue, Hari Nagar Panch Rasta, Gotri, Vadodara - 390021.			Starting from March 01, 2023
16.	June 01, 2022	1) Manojkumar Jawaharlal Ranglani 2) Amitkumar Jawaharlal Ranglani	Fonebox Retail Private Limited	Ground Floor, Block D, Shop.No.84, New Durga Bazar, Near Durga Bazar, Himmatnagar, Sabarkantha - 383001.	Branch Office	40,000.00	9 Years starting from June 01, 2022
17.	August 22, 2022	Soni Rakeshkumar Kanaiyalal	Fonebox Retail Private Limited	101, Jhanvi Tower, Opp. Idar Bus Stop, Idar, Sabarkantha - 383430.	Branch Office	10,000.00	9 Years starting from August 22, 2022
18.	March 07, 2022	Kailash Battulal Agrawal	Jay's Kitchen on behalf of Fonebox Retail Private Limited	Ground Floor, Abhilasha Complex, Opp. Inox Multiplex, Race Course, Vadodara - 390007.	Branch Office	1,50,000.00	
19.	March 05, 2021	1) Bharatkumar Ranchoddlal Khamar 2) Dineshkumar Ranchoddlal Khamar 3) Umakant Maneklal Khamar 4) Virbala Umakant Khamar	Fonebox Retail Private Limited	7, Dev Arcade, Iscon Circle, S G Road, Ahmedabad - 380015.	Branch Office	2,30,000.00	9 Years starting from March 05, 2021
20.	September 05, 2023	Pramodkumar Gajendrakumar Chandel	Fonebox Retail Private Limited	Shop.No.7, Jivan Estate, Near Pancham Mall, Nikol Road, Ahmedabad - 382350.	Branch Office	19,000.00	11 Months 29 Days starting from September 05, 2023
21.	May 25, 2022	Patel Manishkumar Gangaram	Fonebox Retail Private Limited	74, Sardar Shopping Centre, Station Road, Kadi - 382715.	Branch Office	15,000.00	5 Years starting from May 05, 2022
22.	August 22, 2023	Shaikh Shabbir Hussain Abdulsattar	Fonebox Retail Private Limited	Shop No : - 1, Sabir Ice Factory Opp. Town Hall, Kapadwanj Village Kapadwanj - 387620.	Branch Office	15,000.00	11 Months 29 Days from August 22, 2023
23.	June 06, 2022	Jaya Harishchandra Barbhaya	Fonebox Retail Private Limited	D-22, Sundarvan Society, Opp. Sai Baba Mandir, Paani Ni Tanki Road, Karelibaug, Vadodara - 390018.	Branch Office	1.00	6 Years starting from June 06, 2023
24.			Ghandhi Krunalhai		Branch Office	25,000.00	11 Months

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
	December 20, 2022	Patel Dhruvish Jaiminkumar	Satishbhai on behalf of Fonebox Retail Private Limited	Shop No. 2, Old APMC Nava Bazar, Opp. Shak Market, Karjan, Vadodara - 391240.			Starting from December 20, 2022
25.	July 05, 2022	Patel Kanubhai Vaktabhai	Fonebox Retail Private Limited	Shop No. 4/1/7, Parbadi Chowk, Khedbrahma, Sabarkantha - 383255.	Branch Office	5,000.00	3 Years starting from July 05, 2022
26.	September 21, 2022	Gill Gurdeepsingh Reshamsingh	Fonebox Retail Private Limited	Shop.No.10, Municipal Market, Nr. Bank Of Baroda, Khokhra, Ahmedabad - 380008.	Branch Office	30,000.00	3 Years starting from September 01, 2022
27.	January 01, 2023	Sarvaiya Prafullaben Kishorbhai	Fonebox Retail Private Limited	Survey No. 00203-2, 8201-1,94-2, Jai Raghunath Society, Shivam Vidhayalaya, Krushnanagar, Saijpur Bogha, Ahmedabad - 382346.	Branch Office	70,000.00	11 Months 29 Days starting from January 01, 2023
28.	August 10, 2023	Rameshchandra Ambalal Patel	Fonebox Retail Private Limited	Shop No.1,2,3,4, Hansraj Complex, Krishnabaug Char Rasta, Maninagar, Ahmedabad - 380008.	Branch Office	2,05,000.00	11 Months 29 Days starting from August 10, 2023
29.	December 02, 2023	Vijaykumar Chimanbhai Prajapati	Fonebox Retail Private Limited	Shop.No.18 Guruom Shopping, Manjusar, Savli, Vadodara - 391775.	Branch Office	1.00	1 Year starting from December 01, 2025
30.	August 01, 2022	1) Devanandkumar Bikhhabhai Gadara 2) Jitendrakumar Madhavji Bhai Boda	Fonebox Retail Private Limited	Ground Floor, Shop.No.8. Geeta Shopping Center, Bapa Sitaram, Chowk, Ravapar Road, Old Morbi, Morbi - 363641.	Branch Office	10,000.00	3 Years starting from August 01, 2022
31.	October 01, 2022	Nilesh Rameshbhai Patel	Fonebox Retail Private Limited	Shop.No-3, Ground Floor, Akshar Complex, Mota Chiloda, Gandhinagar - 382355.	Branch Office	5,000.00	3 Years
32.	February 15, 2021	Amitbhai Gopalbhai Patel	1. Gunvantbhai Punjabhai Patel 2. Chandrikaben Gunvantbhai Patel on behalf of Fonebox Retail Private Limited	A37/A38, Galaxy Avenue, Near Galaxy Cinema, Opp. Hdfc Bank, Naroda., Ahmedabad - 382330.	Branch Office	37,000.00	3 Years

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
33.	October 01, 2021	Nirmalaben Suryakantbhai Vyas	Fonebox Retail Private Limited	Shop No.A/13, Galaxy Avenue Complex, Near Galaxy Cinema, Naroda, Ahmedabad - 382330.	Branch Office	1,05,000.00	9 Years
34.	August 24, 2023	Parmar Dipeshsinh Sureshbhai	Fonebox Retail Limited	Shop.12a, Hiradhan Halycon, Behind Satyev Hospital, Chandkheda, Ahmedabad - 382424.	Branch Office	Not Mentioned	11months 29 Days
35.	December 01, 2023	1) Prajapati Ganeshram Kasaji 2) Prajapati Vijyaben Ganeshram	Fonebox Retail Private Limited	Shop.No.1 Sun Residency, Near Nisan Residency, Anand Party Plot Road, New Ranip, Ahmedabad - 382470.	Branch Office	26,000.00	Till December 30, 2024
36.	July 24, 2023	1) Pankajbhai Jashubhai Patel-Shop No 29 2) Vinaben Pankajbhai Patel Shop No 28	Fonebox Retail Limited	Shop.No.28,29 Poojan Complex, Nr. Rajhans Cinema, Kanj Mall Cross Road, Nikol, Ahmedabad - 382350.	Branch Office	1) 27300 Shop No 29 2) 27300 Shop No 28	11months 29 Days
37.	April 01, 2022	1) Mansuri Hammidbhai 2) Mansuri Daoodbhai Kasambhai 3) Imran Umarbhai Mansuri 4) Mansuri Usmanbhai Kasambhai	Fonebox Retail Private Limited	Shop no.20 Rhythm Plaza, Amar Jawan Circle, Nikol, Ahmedabad - 382350.	Branch Office	45,000.00	9 Years
38.	November 10, 2021	Manish T Meghani	Fonebox Retail Private Limited	D-19 G-Floor, Taskand Soc, Nizampura, Vadodara, Vadodara - 390024.	Branch Office	1,10,000.00	3 Years
39.	July 01, 2021	Perfect Communication Rajeshkumar Kailashchandra Shah	Fonebox Retail Private Limited	11, Shankar Shopping Center, Opp. Kwick Metal, Odhav, Ahmedabad - 382415.	Branch Office	15,000.00	3 Years
40.	July 01, 2021	Jasuben Jagdishbhai Chatrola	Fonebox Retail Private Limited	39, Siddhi Vinayak Arcade, Girnar Scooter Compound, Odhav Ring Road Circle, Odhav, Ahmedabad - 382451.	Branch Office	01-07-2021 To 30-06-2022 = 50000 01-07-2022 To 30-06-2023= 55000	3 Years

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
						01-07-2023 To 30-09-2024 = 60000	
41.	August 03, 2023	Sushma Jitendra Modi Jitendra Somabhai Modi	Fonebox Retail Limited	702-703 Satyam 64, Opp. Gujarat High Court, S.G Highway, Ahmedabad - 380061.	Registered Office	38,000.00	5 Years
42.	August 16, 2023	Amitkumar Rameshbhai Gandhi	Fonebox Retail Limited	Shop No.101/7, First Floor, Akshar Plaza, Padra, Vadodara - 391440.	Branch Office	1.00	11months 29 Days
43.	April 15, 2023	1) Kanubhai Mangilal Agrawal 2) Kirtiben Kanubhai Agrawal	Fonebox Retail Private Limited	18,19, Ground Floor, Tower-A, New Bus Depot, Palanpur, Banaskantha - 385001.	Branch Office	85,000.00	9 Years
44.	July 01, 2023	Mohahmad Ali Gulamahmed Momin	Fonebox Retail Private Limited	Nilkanth Avenue 23, Nr. Kailash Estate, Odhav Ring Road, Ahmedabad - 382415.	Branch Office	13,500.00	9 Years
45.	March 01, 2022	1) Gautambhai Chandubhai Patel 2) Neeta Gautambhai Patel	Fonebox Retail Private Limited	Shop.No.16 Ground Floor, Gopal Nagar, Shopping Center, Near. Piyush Point, Pandesara, Surat - 395002.	Branch Office	28,000.00	9 Years
46.	August 20, 2023	1) Ramniklal Keshavlal Gorvadiya 2) Kantilal Keshavlal Gorvadiya 3) Sanjay Dilipbhai Gorvadiya	Fonebox Retail Private Limited	Keshav Arcade, Shop no. 3 & 4, Pedak Road, Ranchhodnagar-2 Pakor, Rajkot - 360003.	Branch Office	1) 12000 2) 12000 3) 12000	9 Years
47.	October 01, 2022	Surti Mohammad Ismail Miyamohmed	Fonebox Retail Private Limited	Shop.No.9 & 10, Chistiya Complex, Aproach Road, Prantij, Sabarkantha - 383205.	Branch Office	14,000.00	4 Years
48.	February 25, 2022	1. Dipak Nandlal Dariyani 2. Sanjay Nandlal Dariyani	Fonebox Retail Private Limited	Block.No.1, Ground Floor, Ramnagar Colony, Rander, Surat - 395009.	Branch Office	42,500.00	9 Years
49.	August 01,	Kokilaben Bhurabhai	Fonebox Retail Limited	29, Sattadhar Society, Opp. Somnath	Branch Office		9 Years

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
	2023	Lakoom		Bus Stand, Sanand, Sanand - 382110.		20,000.00	
50.	February 25, 2022	Patel Mahendrabh ai Chaturdas	Fonebox Retail Private Limited	Shop No 2/3 Dreamland Shopping, Nr. Takshashila Arcade Sarthana Jakatnaka Kamrej Road, Surat - 395006.	Branch Office	40,000.00	5 Years
51.	March 01, 2023	Avinash Patel	Fonebox Retail Private Limited	Shop.No.6, Tower A, Adhik Plaza, Savli, Vadodara - 391770.	Branch Office	500.00	11 Months
52.	July 01, 2021	Patel Rameshbhai Ishvarbhai	Fonebox Retail Private Limited	Shop No.15, Sardar Patel Shopping Center, Shastrinagar, Naranpura, Ahmedabad - 380013.	Branch Office	60,000.00	5 Years
53.	July 01, 2022	1) Parvin Girish Chabara 2) Abhishek Girish Chabara	Fonebox Retail Private Limited	U1 -02, Maruti Towers Opp. Shivranjani Brts Bus Stop, Shivranjani Junction, Satellite, Ahmedabad - 380015.	Branch Office	01-07-2022 To 30-06-2023 = 40950 01-07-2023 To 30-06-2024= 42998 01-07-2024 To 30-06-2025 = 45148	3 Years
54.	November 11, 2022	Krunal Ganatra	Fonebox Retail Private Limited	Shop.No.11/12/13, Sarad Nagar, Shopping Center, Tarsali, Vadodara - 390009.	Branch Office	1.00	11 Months 29 Days
55.	August 01, 2023	Mehboob Noorahmed Vohra	Fonebox Retail Private Limited	Shop No. 3002, Masjid Ni Street, Vada Bazar, Umreth Anand, Umreth - 388220.	Branch Office	10,000.00	11 Months 29 Days
56.	September 22, 2022	Patel Shankarbhai Ambharamd as	Fonebox Retail Private Limited	Shop No.3, Kanya Chhatralaya Bus, Station Road, Unjha, Mahesana - 384170.	Branch Office	10,000.00	1 Year
57.	April 01, 2022	Shah Dhirajlal Khimji	Fonebox Retail Private Limited	Shop No. 3 & 4 Netaji Shubhash	Branch Office	01-04-2022 To 31-03-2025 = 2600 01-04-2025	9 Years

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
				Chandra Bose Shopping Center, Stadium Road, Valsad - 396001, Valsad - 396001.		To 31-03-2028 = 29900 01-04-2028 To 31-03-31 = 34385	
58.	January 01, 2023	Girish Kashiram Patel	Fonebox Retail Private Limited	2, Amrapali Co. Opp. Housing Soc. Ltd, Ajay Tenament V-5 Road, Vastral, Ahmedabad - 382418.	Branch Office	100.00	2 Years
59.	October 01, 2022	Pankajbhai Jamanbhai Fataniya	Fonebox Retail Private Limited	Ground Floor, Plot No 20, Pandol Ind Society, Ved Road, Surat - 395004.	Branch Office	67,000.00	3 Years
60.	February 11, 2021	Patel Kirtikumar Ramabhai	Fonebox Retail Private Limited	6/A, Parth Complex, Opp Tb Hospital, Vijapur Mehsana, Vijapur - 382870.	Branch Office	Not Mentioned	9 Years
61.	January 01, 2023	1) Sarmishthaben Alpeshbhai Patel 2) Dhuniben Ramanlal Patel	Fonebox Retail Private Limited	1/4 Jay Jagannath Colony, B/H Gidc, Ghanshyamnagar Road, Odhav, Ahmedabad - 382415.	Branch Office	57,500.00	35 months 29 days
62.	April 29, 2023	Desai Parin Hasmukhku mar	Fonebox Retail Private Limited	Gf/Shop No.29, Shijivilla, B/H D-Mart, Waghodiya Road, Vadodara - 390019.	Branch Office	17,000.00	11 Months
63.	May 01, 2023	Mahavirsinh N Rajpurohit Radhaben Mahavirsinh Rajpurohit	Fonebox Retail Private Limited	Gf 13,14, Abhilasha Square, New Sama Road, Sama Gaon, Vadodara - 390024.	Branch Office	1) 15000 2) 15000	55 Months
64.	August 05, 2023	Hemali Keyurkumar Limbachiya	Fonebox Retail Limited	Shop.No.1, Ankur Shopping Center-3, Near Sardar Bridge, Surat - 395009.	Branch Office	100.00	11 Months
65.	February 01, 2023	Patel Ramanbhai Ishvarbhai	Fonebox Retail Private Limited	781, Nr. Jagdamba Dairy, Dashrath, Vadodara - 391740.	Branch Office	15,000.00	5 Years
66.	July 01, 2023	Patel Vishal Jagdish Bhai	Fonebox Retail Private Limited	Ground Floor, Gf-6, Serene Edifice, 30 Meter Harni-Sama Link Road, Harni, Vadodara - 390022.	Branch Office	40,000.00	11 Months
67.	March 14, 2023	Patel Manjulaben Chandubhai	Fonebox Retail Private Limited	Shop No. G-11, City Mall-2, Navjivan Mill Compound, Kalol, Gandhinagar - 382721.	Branch Office	100.00	2 Years
68.	May 01, 2023	Pratulchandra Jayantilal Shah	Fonebox Retail Private Limited	0,Opp Sevasadan, Nava Bazar Karjan, Nr, Hathibaug, Karjan, Vadodara - 391240.	Branch Office	26,750.00	11 Months



Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
69.	May 01, 2023	1) Sitaramsinh N Rajpurohit 2) Kishansinh Rajpurohit	Fonebox Retail Private Limited	B/5 Rushikesh Society, Near Mangal Murti Complex, Opp Panasonic Makarpura, Vadodara - 390010.	Branch Office	15,000.00	11 Months
70.	October 01, 2022	Praveen Gupta	Fonebox Retail Private Limited	Shop.No.17,18 Sangni Platinum, Opp. Shalin Heights, Near.Akruti Township, Aslali Highway, Narol, Ahmedabad - 382405.	Branch Office	45,000.00	9 Years
71.	March 09, 2023	Patel Mukeshbhai Popatbhai	Fonebox Retail Private Limited	Shop No.8, Ground Floor, Royal Regency, Shree Ram Chowk, Nava Naroda, Ahmedabad - 382345.	Branch Office	100.00	2 Years
72.	May 01, 2023	Harisinh Narayansinh Purohit	Fonebox Retail Private Limited	Gf Thirthan Avenue, Opp Devdeep Complex, Nizampura, Vadodara - 390002.	Branch Office	1.00	11 Months
73.	May 01, 2023	Barkha Bagchand Navani	Fonebox Retail Private Limited	Shop No. 3 Kalpu Complex, Near Gipcl Circle, Sama Road, Vadodara - 390008.	Branch Office	40,480.00	11 Months
74.	August 23, 2023	Kishorsinh Hathuba Zala	Fonebox Retail Limited	Gf-14, Platinum Arcade, Near Ghodagadi Stand, Sanand, Ahmedabad - 382110.	Branch Office	100.00	11 Months 29 Days
75.	July 01, 2023	Shethwala Junnaid Mohammad Yusuf	Fonebox Retail Private Limited	Gf-1, Bage Mariyam, Vadi, Navapura Naka, Rangmahal, Vadodara - 390017.	Branch Office	10,000.00	11 Months
76.	August 15, 2023	Upadhyay Kaushik Ramanlal	Fonebox Retail Limited	B-14, Mahavir Park Society Ground Floor, Wali Dukan, Waghodia Road, Vadodara - 390019.	Branch Office	21,000.00	11 Months
77.	July 01, 2022	Nasim Ganibhai Vadiya	Fonebox Retail Private Limited	Shop.No.4, President Complex, Sector-11, Gandhinagar - 382010.	Branch Office	17,700.00	3 Years
78.	August 01, 2023	Tejaskumar Jaganbhai Patel	Fonebox Retail Limited	Building No. 2, Shop No 4, Ankur Society, Adajan, Surat - 395009.	Branch Office	36,000.00	11 Months
79.	August 01, 2023	Gaurav Navratab Dak Kavita Mahendra Dak	Fonebox Retail Private Limited	Shop No -29, Gr Floor, Rajhans Olympiya Complex, Bhatar Road Nr Naher, Surat, Gujarat, 395017.	Branch Office	70,220.00	11 Months
80.	June 02,	Harshadkum ar Vyas	Fonebox Retail Private	Shop.No.5, Ground Floor, President	Branch Office		9 Years

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
	2022		Limited	Complex, Sector- 11, Gandhinagar - 382010.		35,000.00	
81.	June 14, 2022	Sandhyaben Thakkar	Fonebox Retail Private Limited	Ff/10 Labh Business Hub, Beside Jay Narayan Society, Karodia Road, Gorwa, Vadodara - 390016.	Branch Office	10,000.00	6 Years
82.	January 28, 2023	Ramchand Hotchand Basrani	Fonebox Retail Private Limited	Gf-21-22, Platinum Complex, Jayshree Road, Junagadh Agricultural University, Junagadh - 362001.	Branch Office	100.00	1 Year
83.	December 12, 2023	Gunvantbhai Karsanbhai Narola	Fonebox Retail Private Limited	Shop No 1/2, Oasis Corner, Dhanmora Char Rasta, Singanpor Road, Surat - 395004.	Branch Office	1,08,150.00	Till October 31, 2024
84.	June 28, 2022	Memon Ashifmoham mad Haroon Bhai	Fonebox Retail Private Limited	A-Gf-19, White Pearl, Jakatnaka, Padra, Vadodara, Vadodara - 391440.	Branch Office	1.00	3 Years
85.	July 22, 2023	Patel Brijesh Sureshbhai	Fonebox Retail Limited	Shop No.10, Behind Dev Darshan, Society Nehar, Palanpur Gam, Surat - 395009.	Branch Office	100.00	11 Months
86.	April 01, 2021	Neha Rishit Shah Rita Bharatkumar Shah	Fonebox Retail Private Limited	Shop No 135 & 136 Poddar Arcade, Opp Khand Bazar Varachha Road, Surat - 395006.	Branch Office	57,500.00	3 Years
87.	February 01, 2023	Jay Hitesh Rohida Bhavana Hitesh Rohida	Fonebox Retail Private Limited	Shop No 2 Deepanjali Society, Palanpur Jakatnaka Road Rander, Surat - 395009.	Branch Office	67,250.00	11 Months
88.	April 01, 2021	Shah Bharat Pranal Vinodkumar Bahadurchan Virmani	Fonebox Retail Private Limited	Shop No 12-13 Amberdkar Shopping Center, Opp Kinaar Cenema Ring Road Surat - 395002.	Branch Office	1) 45600 2) 45600	1) 3 Years 2) 11 Months
89.	January 14, 2023	Nagjibhai Lilabhai Rabari	Fonebox Retail Private Limited	Shop.No.9, Vihal Shopping Center, India Colony Road, Thakkarbapa Nagar, Ahmedabad - 382350.	Branch Office	100.00	2 Years
90.	January 01, 2023	1) Pramodkumar Rameshchandra Nayak 2) Pramodkumar Rameshchandra Nayak	Fonebox Retail Private Limited	Shop No 20 To 21, City Center, Nr Swastik Plaza, Yogi Chok, Varachha	Branch Office	55,000.00	3 Years

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
		HUF 3) Jyotiben Pramodkumar Nayak		Road, Surat, Gujarat, 395006,			
91.	June 01, 2022	Prithviraj Dhayabhai Vanjara	Fonebox Retail Private Limited	Shop No -7, President Complex, B/H Vijay Petrol Pump, Opp. Shalin Complex, Gandhinagar - 382010.	Branch Office	30,000.00	4 Years
92.	August 10, 2022	Rakesh Kishorbhai Advani	Fonebox Retail Private Limited	11, Ground Floor, Hareesh Talkies, Kalva Chowk, Junagadh - 362001.	Branch Office	10,000.00	3 Years
93.	July 01, 2022	Maheshkumar Khimandas Sajnani	Fonebox Retail Private Limited	Shop No.16, Navin Market, J.B.Mehta Hospital Road, Kapadvanj, Kheda - 387620.	Branch Office	11,111.00	3 Years
94.	December 01, 2023	Hiteshbhai Devji Bhai Bhatti	Fonebox Retail Private Limited	Shop No.3, Ground Floor, Pramukh Darshan Appartment, Nr,Pipal Char Rasta, Katargm, Surat - 395004.	Branch Office	2,000.00	Till October 31, 2024
95.	July 28, 2022	Indiraben Lalitkumar Jain	Fonebox Retail Private Limited	G-3, Sagar Complex, Kathlal Bypass, Kathlal, Kheda - 387630.	Branch Office	10,000.00	3 Years
96.	September 13, 2022	Patel Ajaykumar Vasudev Bhai	Fonebox Retail Private Limited	Shop No 4, Raja Shopping Center, Kheda - 387511.	Branch Office	5,000.00	3 Years
97.	November 01, 2022	Kamlesh Dilipbhai Samtani	Fonebox Retail Private Limited	Shop No.9 And 15, Siddhi Vinayak Complex, Station Road, Mahemdabad, Kheda - 387130.	Branch Office	30,000.00	3 Years
98.	October 10, 2022	Mehta Jayeshkumar Chotalal	Fonebox Retail Private Limited	Shop No.218, Bajpai Shopping, Modasa Bypass, Arvalli - 383315.	Branch Office	5,000.00	11 Months 29 Days
99.	July 25, 2022	Dhayal Khialdas Ramrakhiyani	Fonebox Retail Private Limited	Sb-32, National Plaza, R.C.Dutt Road, Alkapuri, Vadodara - 390007.	Branch Office	11,000.00	3 Years
100.	December 15, 2022	Shaikh Badrunisha Kadir Bhai	Fonebox Retail Private Limited	Shop No.16, Himalaya Tower, Nr.Hanumanji Temple, Kapadvanj, Kheda - 387620.	Branch Office	1.00	3 Years
101.	September 03, 2022	Sunil Premjibhai Sheraji	Fonebox Retail Private Limited	0, Nr. Swaminarayan Temple, Opp. Hotel, Indrapasth, S T Road, Porbandar - 360575.	Branch Office	10,000.00	3 Years
102.	September 21, 2023	TEjaskumar Rameshkumar Thakkar	Fonebox Retail Limited	Shop.No.23, Ground Floor, Zaveri Market, Bavla - 382220.	Branch Office	30,800.00	7 years
103.	August 22,	Ramilaben Kiritbhai	Fonebox Retail Limited	Gf-5, Aaradhya, Nr. Chitvan Society,	Branch Office		11 Months 29

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
	2023	Thakkar		Bopal Village Taluka Daskroi, District Ahmedabad, Ahmedabad - 380058.		49,000.00	Days
104.	August 06, 2022	Ahemad Hussain gajai	Vishal Rahulbhai Mehta on behalf of Fonebox Retail Private Limited	0,Near Ashok Bakery, Limdalane, Jamnagar - 361001.	Branch Office	17,000.00	11 months
105.	September 13, 2023	Mamtaben Harikrishna Patel	Fahad Abdulhamid Shaikh on behalf of Fonebox Retail Private Limited	A-3, Ambica Complex, Near S T Stand, Kheda, Kheda - 387411.	Branch Office	18,000.00	11 Months 29 Days
106.	September 14, 2022	Riyaz Dilubhai Sorathiya	Fonebox Retail Limited	Shop.No.2,Dolariya Complex Beside Bombay Guest House, Juna Bagicha Chowk, Vasi Talav Road, Mahuva - 364290.	Branch Office	10,000.00	3 Years
107.	August 22, 2023	Jadav Aarifbhai Mohamadbhai	Fonebox Retail Limited	0,Mahuva Road, Opp.Balmandir Complex, Savarkundla, Amreli - 364515.	Branch Office	1,000.00	11 months
108.	August 22, 2023	Atulkumar Sajjanlal Jain	Fonebox Retail Limited	F-12/13, Suvas Complex, Above ICICI Bank, Nr.Unnati Petrol Pump,Shahibaug, Ahmedabad - 380004.	Branch Office	18,000.00	11 Months 29 Days
109.	August 26, 2023	Rajendra Baldevbhai Patel	Fonebox Retail Limited	Shop No A-147, Popular Plaza Commercial Complex, 132 Feet Circular Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015.	Branch Office	23,540.00	11 months
110.	April 20, 2023	Soni Kamleshkumar Amrutlal	Fonebox Retail Limited	Ground Floor, Shop.No.5,Kaveri Complex, Opp. Subhash Bridge, Opp. Rtokacheri. RTO Circle, Ahmedabad - 380027.	Branch Office	100.00	11 Months 29 Days
111.	July 06, 2022	Jayesh kumar Babulal Modi	Fonebox Retail Limited	City Center, Bhankhariya At & Po, Prantij, Sabarkantha - 383205.	Branch Office	15,000.00	4 years
112.	March 03,2023	Jayantilal Shankarlal Nagar	Fonebox Retail Limited	404/10 Ganjifrak Mil Ni Chali, Rakhiyal Road,Rakhiyal, Ahmedabad - 380021.	Branch Office	100.00	11 Months 29 Days

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
113.	August 01, 2022	Sharma Vishnubhai Balavantrai	Fonebox Retail Limited	Shop.No.406, Devkarna Na Muvda Mukhya Bazar, Gam Panchayat, Devkaran Na Muvada, Dehgam, Gandhinagar - 382305.	Branch Office	5,000.00	9 years
114.	Auguste 01, 2023	Alkeshmuar Rameshbhai Gimit	Fonebox Retail Limited	SHOP.NO.65, LAXMI MARKET, OPP.BUS STAND, MANDVI, SURAT- 394160.	Branch Office	100.00	11 Months
115.	September 16, 2023	Patel Nileshkumar Pravinbhai	Fonebox Retail Limited	SHOP.NO.G-13, SHREE RAM CITY CENTER, MODASA VILLAGE, ARVALI 383315.	Branch Office	1.00	3 Years
116.	September 05, 2023	Nitaben Dipakbhai Patel	Fonebox Retail Limited	SHOP NO. C-GF - 17,18 TALOD GAM TALUKA TALOD DIST. SABARKANTHA GUJARAT 383215	Branch Office	1.00	3 years
117.	September 12, 2023	Parthkumar Nileshkumar Desani	Fonebox Retail Limited	SHOP.NO.203, FIRST FLOOR, TALOD VILLAGE, SABARKANTHA GUJARAT 383215	Branch Office	100.00	5 Years
118.	August 01, 2023	1. Vinodbhai Ramjibhai Gorajiya 2. Dharmishthaben Vinodbhai Gorajiya 3.Chiragbhai Vinodbhai Gorajiya	Fonebox Retail Limited	3/B, Isanpur Opp., Radhakrishna Society, Isanpur, Ahmedabad - 382443.	Branch Office	60,000.00	11 Months 29 Days
119.	November 30, 2022	Mahipal Singh Rajpurohit	Fonebox Retail Private Limited	A-11, Janki Nagar, Opp. Anand Van Complex, Beside Hero Motors, Subhanpura, Vadodara - 390023.	Branch Office	81,034.00	11 Months
120.	September 17, 2023	Hanshaben Sureshkumar Patel	Fonebox Retail Limited	Shop.No.61,62, Ground Floor, Satva Icon, Metro Junction, Vastral Road, S.P.Ring Road, Ahmedabad - 382418.	Branch Office	Shop no.61: 49,100.00 Shop no.62: 49,100.00	11 Months 29 Days
121.	September 27, 2023	Thakkar Pravinaben Prafulchandra	Fonebox Retail Limited	701, Satyam 64, Opp. Gujarat High Court, S.G Highway, Ahmedabad - 380060.	Storage Space/ Branch Office	16,600.00	3 Years
122.	March 01, 2022	1. Shankarbhai Ishwarbhai Patel and Divyaben Rajendrakumar Patel 2.Harsh	Fonebox Retail Private Limited	Shop No B/9, Gurukripa Society, Lp Savani Road, Adajan, Surat - 395009.	Branch Office	1,25,000.00	11 Months







Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
		Rajendrakumar patel					
123.	August 19, 2023	Kalpeshbhai Chimanbhai Patel	Fonebox Retail Limited	Shop No. 7 & 8, Ground Floor Shop in E Block of Joyce Hubtown, Mehsana - 382715.	Branch Office	10,000.00	9 Years
124.	September 25, 2023	Khilankumar Bhumesbha i Shah	Fonebox Retail Limited	G-31, 32, 33, Ground Floor, Luprit Arcade, Olpad, Surat-394540.	Branch Office	38,000.00	11 Months
125.	December 12, 2023	NA	Fonebox Retail Limited	Shop.No.34, Marble Arch, Race Course Road, Vadodara - 390007.	Branch Office	730	Till December 11, 2025
126.	September 26, 2023	NA	Fonebox Retail Private Limited	17- A, 17- B, Nanak Plaza Market, Bus Station Road, Visnagar, Mahesana - 384315.	Branch Office	Taken on NoC	Not Applicable
127.	September 30, 2023	NA	Fonebox Retail Limited	15/16,Gf, Royal Tower, Near. Chhipa Community Hall, Astodia, Gollimda Road, Ahmedabad - 380001.	Branch Office	Taken on NoC	Not Applicable
128.	June 01, 2023	NA	Fonebox Retail Limited	Shop. No B/Ff/8, Near. Sagar Plaza, Near Hathimati, Bridge, Bhiloda Idar Road, Bhiloda, Sabarkantha, Bhiloda - 383245.	Branch Office	Taken on NoC	Not Applicable
129.	July 03, 2023	NA	Fonebox Retail Limited	A/1,Anand Nagar Society, Gota Road, Chandlodiya, Ahmedabad - 382481.	Branch Office	Taken on NoC	Not Applicable
130.	July 03, 2023	NA	Fonebox Retail Limited	A/1,Anand Nagar Society, Gota Road, Chandlodiya, Ahmedabad - 382481.	Branch Office	Taken on NoC	Not Applicable
131.	June 01, 2023	NA	Fonebox Retail Limited	Shop No 6, Farooq Alimuhammad House, Shakti Soc. Group-A, Gate-4,Danilimda Cross Road, Danilimda, Ahmedabad - 380028.	Branch Office	Taken on NoC	Not Applicable
132.	August 04, 2021	NA	Fonebox Retail Limited	Shop Number-6, Shreenath Residency, Opp. Rajendra Residency, Aslali Highway, Narol, Ahmedabad - 382405.	Branch Office	Taken on NoC	Not Applicable
133.	July 03, 2023	NA	Fonebox Retail Limited	Ground Floor 6/1, Rajiv Complex, Opp. Maninagar Police Station, Rambaug, Maninagar, Ahmedabad - 380008.	Branch Office	Taken on NoC	Not Applicable
134.	July 03, 2023	NA	Fonebox Retail Limited	3 Kanak Kala, Opposite Rahul Tower, Anand Nagar Road, Satellite,	Branch Office	Taken on NoC	Not Applicable

Sr. No.	Agreement Date	Name Of Lessor	Name Of Existing Lessee	Description Of Property	Usage Purpose	Rent (In ₹) (Per Month)	Tenure
				Ahmedabad - 380015.			
135.	August 24, 23	NA	Fonebox Retail Limited	Krishna Arcade, G-6, Siddhpur Village, Dis. Patan, Siddhapur - 384151.	Branch Office	Taken on NoC	Not Applicable
136.	June 22, 2023	NA	Fonebox Retail Limited	G-1,2,Gurukrupa Complex, Chitrakut Society, Thara, Kankrej, Banaskantha - 385555.	Branch Office	Taken on NoC	Not Applicable
137.	June 06, 2023	NA	Fonebox Retail Limited	Shop No 31,32, Swaminarayan Park-1, Narayan Chawk, Opp. Narayan Farm, Vastral, Ahmedabad - 382418.	Branch Office	Taken on NoC	Not Applicable
138.	June 03, 2023	NA	Fonebox Retail Limited	1st Floor, Golwadi Gate Bahar, Viramgam, Viramgam - 380022.	Branch Office	Taken on NoC	Not Applicable
139.	September 02, 2023	NA	Fonebox Retail Limited	Gf 13,14, Abhilasha Square, New Sama Road, Sama Gaon, Vadodara - 390024.	Branch Office	Taken on NoC	Not Applicable
140.	February 15, 2023	NA	Fonebox Retail Limited	G-1 City Mall, Navjivan Shopping, Kalol, Gandhinagar - 382721.	Branch Office	Taken on NoC	Not Applicable
141.	May 03, 2023	NA	Fonebox Retail Limited	Shop.No.25, Ananddhan Complex, Near. New S.T.Bus Stand, Mahuva, Bhavnagar - 364290.	Branch Office	Taken on NoC	Not Applicable
142.	June 06, 2023	NA	Fonebox Retail Limited	A-35, Galaxy Avenue Co. Op. Ho. So. Ltd., Near Galaxy Cinema, Naroda, Ahmedabad - 382330.	Branch Office	Taken on NoC	Not Applicable
143.	August 31, 2023	NA	Fonebox Retail Limited	SARDAR CHOWK, OPP. JAINDERASAR, NR. SANJEEVANI HOSPITAL, STATION ROAD, UNJHA, GUJARAT 384170	Branch Office	Taken on NoC	Not Applicable
144.	September 12, 2023	NA	Fonebox Retail Limited	279/7, Parmanand Patel Ni Chali, Opp. Gujarat Radio, Rakhiyal, Ahmedabad - 380021.	Branch Office	Taken on NoC	Not Applicable

#### DETAILS OF INTELLECTUAL PROPERTY

Details of Trademarks registered/Objected/Abandoned in the name of our company is mentioned below:

Sr. No	Brand Name/Logo Trademark	Class	Registration number	Owner	Date of Registration/ Application	Status	Validity
1.	FONEBOOK	35	5448783	Fonebox Retail Private Limited	May 14, 2022	Registered	Valid till May 14, 2032

Sr. No	Brand Name/Logo Trademark	Class	Registration number	Owner	Date of Registration/ Application	Status	Validity
2.		35	4897910	Fonebox Retail Private Limited	March 10, 2021	Registered	Valid till March 10, 2031
3.		35	5448792	Fonebox Retail Private Limited	May 14, 2022	Registered	Valid till May 14, 2032
4.		9	4387467	Fonebox Retail Private Limited	December 24, 2019	Registered	Valid till December 24, 2029
5.		9	4387471	Fonebox Retail Private Limited	December 24, 2019	Registered	Valid till December 24, 2029
6.		9	4379770	Fonebox Retail Private Limited	December 17, 2019	Registered	Valid till December 17, 2029
7.		35	1964005	Acquired from Mr. Rishit Bharat Shah on behalf of M/s. Celution Corporation, vide assignment agreement dated June 03, 2021*	May 12, 2010	Registered	Valid till May 12, 2030
8.	FONEBOX	35	4897943	Fonebox Retail Private Limited	March 10, 2021	Registered	Valid till March 10, 2031

\* Trademark for My Mobile has been acquired through Deed of Assignment between M/s. Celution Corporation (“The Assignor”) and the company (“the Assignee”) dated June 03, 2021. Application for assignment of the same has been made to the Registrar of Trademark on July 28, 2021. The same is under process of assignment.

**Domain Name:**



Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	https://www.fonebook.in/	Dreamscape Networks International Pte Ltd Registrar IANA ID: 1219	Phonewale ID: D18FBB82309F24B429AD14CC1 41D733CF-IN	March 04, 2022	March 04, 2024

#### DETAILS OF INDEBTEDNESS

The details of facilities availed from Banks are as follows. For more details of other indebtedness please refer Annexure I.3 and I.7 of Restated Financials statement appearing on page F-3 and F-7 of Red Herring prospectus.

Sr. No.	Name of Institution	Sanction Amount	Purpose	Amount o/s as on September 30, 2023 (₹ In Lakhs)	Interest / Commission Rate per annum	Security/Margin	Period of Repayment
1.	HDFC Bank	₹ 400.00 Lakhs	Cash Credit	₹ 91.09	Floating Rate of interest Repo Rate + 3.00% Per Annum (Current Repo Rate being 4.00%)	<b>1. Personal Guarantors:</b> <ul style="list-style-type: none"> <li>• Manishbhai Girishbhai Patel;</li> <li>• Amitkumar Gopalbhai Patel;</li> <li>• Bhagwati Devidesai</li> </ul> <b>2. Residential Property:</b> Equitable Mortgage on Sub Plot A/8 & A/7 Kudasán Gujarat Dist Gandhinagar, Kudasán Gandhinagar Gujarat 382010.	Valid till March 23, 2024
2.	HDFC Bank	₹20.40 Lakhs	Vehicle Loan	₹12.17 (Including Current Maturity)	7.10%	Exclusive Charge on the Vehicle	48 Monthly EMI of ₹48,945/- starting from January 07, 2022
3.	Unsecured Loans from Directors/Shareholders and their Relatives	Not applicable	-	₹ 277.78	12.00%	Not Applicable	Repayable on Demand

4.	Unsecured Loans from Bank and Other Parties	Not applicable	Trade Advances	₹ 125.53	Ranging from 9.75% to 14.00%	Not Applicable	Repayable as per Demand
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### INSURANCE POLICY

Presently, our company has following Insurance Policies:

Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Period of Insurance	Details of the policy including Sum Insured (Amount in ₹)			Annual Premium Paid (Amount in ₹)
					Sr No	Coverage Section	Sum Insured/ Limit of Indemnity	
1.	Tata AIG General Insurance Company Limited	5182324754	Fonebox Retail Private Limited	From April 23, 2023 00:00 Hrs to April 22, 2024 23:59 Hrs	1.	Fire Building and/or Contents	300,000,000	3,52,255/- (Excluding of Taxes)
					2.	Burglary	300,000,000	
					3.	Money Insurance (Including Money in Safe and Money in Transit - Rider Attached)	85,200,000	
					4.	Employee Fidelity	14,200,000	
					5.	Plate Glass	7,100,000	
					6.	All Risks (Signs)	7,100,000	

## HISTORY AND CORPORATE STRUCTURE

### COMPANY'S BACKGROUND



Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page 159 of this Red Herring Prospectus.

Promoters of our company are Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh and Mr. Amitkumar Gopalbhai Patel. While Mr. Manishbhai Girishbhai Patel and Mr. Amitkumar Gopalbhai Patel were associated with the company since its incorporation. Mr. Jigneshkumar Dashrathlal Parekh, Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai joined our company by acquisition of equity shares in 2021. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from mobile handsets, mobile accessories and other consumer durable home appliances such as Smart TVs, Laptop, Air condition etc. Our promoters have combined experience of more than 30 years in the retail distribution, sales and marketing industry, which is the driving force behind the growth achieved by the company.

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

We operate our retail business with multiple brands. We have a portfolio of retail stores with different brands. We initially started our business operations with brand “**Fonebox**”, for our company owned stores as well as franchise stores. Further, we acquired famous mobilephone retail store brands such as “**Fonebook**” and “**My Mobile**” vide Business Purchase agreements from their respective owners in the year 2021.

Over the years, we have grown our business by focusing on our brands as well as acquiring existing business of other retail brands. In February 2021, we started our business operations with 2 stores with name “Fonebox” in FY 2021 achieving a turnover of around 9.92 lakhs in one month of operation. Besides growing our owned brand “Fonebox”, we focused on inorganic growth by acquiring brands and business of existing stores in FY 2022. We acquired 49 stores under different brand names namely “Fonebook” and “My Mobile” in FY 2022. After acquisition of the brand “Fonebook” we started 11 new stores under the same brand name. As on January 05, 2024 we operate a total of 143 stores. Brand and store acquisition has aided our growth inorganically, along side we have developed our business by improving business of the existing stores and opening new stores simultaneously.

We mainly operate under the brand name of  and . As on January 05, 2024 we operate from total 143 stores across the state of Gujarat. Out of 143 stores 39 stores are Company Owned and Company Operated retail outlets (“COCO Model”) and 104 stores are under Franchise Owned and Company Operated retail model (“FOCO Model”) distributed in more than 20 cities in Gujarat.

### REGISTERED OFFICE:

Registered Office of the Company is presently situated at 702/703, 7<sup>th</sup> Floor, Satyam 64 Opp. Gujarat High Court, S G Road, Ahmedabad, Gujarat - 380061 India. The Registered office of our Company has been changed twice since incorporation, details of which are given hereunder:

Date of Change of Registered office	Registered Office	Reason
On Incorporation	1004-1005, Satyam 64, Opp. High Court, Nr. Red Carpet, S G High Way, Ahmedabad, Rajkot, Gujarat, India, 380061	Not Applicable

Date of Change of Registered office	Registered Office		Reason
	Changed From	Changed To	
February 05, 2021	1004-1005, Satyam 64, Opp. High Court, Nr. Red Carpet, S G High Way, Ahmedabad, Rajkot, Gujarat, India, 380061	1004-1005, Satyam 64, Opp. High Court, Nr. Red Carpet, S G High Way, Ahmedabad, Gujarat, India, 380061	To rectify the Erroneous Filing
November 19, 2022	1004-1005, Satyam 64, Opp. High Court, Nr. Red Carpet, S G High Way, Ahmedabad, Gujarat, India, 380061	702/703, 7 <sup>th</sup> Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad, Gujarat – 380061, India	Administrative Convenience

#### KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

For Key Awards, Certifications, Accreditations and Recognitions, please refer to sections titled “*Business Overview*” beginning on page 127 of this Red Herring Prospectus.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

##### NAME CLAUSE

The Following changes have been made in Name Clause of our Company since its inception.

Date of Approval of Shareholders	Particulars	Reason
On Incorporation	“Fonebox Retail Private Limited”	Not Applicable
June 28, 2023	The name of our company changed from “Fonebox Retail Private Limited” to “Fonebox Retail Limited.”	Business Expansion, planning to come up with an Initial Public Offer and conversion from private limited to public limited

##### AUTHORIZED CAPITAL

The following changes have been made in the Authorized Capital of our Company since inception:

Date of Amendment	Particulars
On Incorporation	Authorized Capital of ₹ 15.00 Lakhs divided into 150000 (One Lakh Fifty Thousand) Equity Shares of ₹ 10/-each.
June 15, 2021	The Authorised Share Capital increased from ₹ 15.00 Lakhs divided into 150000 (One Lakh Fifty Thousand) equity shares of ₹ 10/- each to ₹ 50.00 Lakhs divided into 500000 (Five Lakhs) Equity Shares of ₹10/- each.
March 24, 2023	The Authorised Share Capital increased from ₹ 50.00 Lakhs divided into 500000 (Five Lakhs) Equity Shares of ₹10/- each to ₹ 1050.00 Lakhs divided into 10500000 (One Crore Five Lakhs) Equity Shares each of ₹ 10/-each.

##### MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below.

Year	Key Events/Milestone/ Achievement
2021	Our company was incorporated as a private limited company under the name “Fonebox Retail Private Limited”
2021	Our company acquired total business of 11 stores operating under Brand Name of “My Mobile” from My Mobile Retail Solutions LLP under Business Purchase Agreement dated April 05, 2021.
2021	Our company acquired total business of 37 stores under Brand Name of “Fonebook” from M/s. HK Retail under Business Purchase Agreement dated June 28, 2021.
2022	Our company crossed the turnover of ₹ 9000.00 Lakhs within 13 months of incorporation.

Year	Key Events/Milestone/ Achievement
2022	Our company acquired total business of store located at Gandhinagar from M/s. Safe Zone under Business Purchase Agreement dated February 23, 2022.
2022	Our company acquired total business of 2 stores from I Magic Mobile Private Limited under Business Purchase Agreement dated April 01, 2022.
2023	Crossed turnover of ₹ 19500.00 Lakhs in FY 2022-23
2023	Our company was converted into Public Limited Company under the name of “Fonebox Retail Limited”

#### OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “*Business Overview*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 127, 112 and 200 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on pages 174 and 58 respectively of this Red Herring Prospectus.

#### RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity or debt, please see the section entitled “*Capital Structure*” and “*Restated Financial Information*” on pages 58 and 198 respectively of this Red Herring Prospectus.

#### DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS AND CONVERSION OF LOANS INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

#### SUBSIDIARIES/HOLDINGS AND JOINT VENTURES OF THE COMPANY

Our company does not have any Subsidiaries/Holdings and Joint Ventures as on date of filing Red Herring Prospectus.

#### INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Red Herring Prospectus.

#### MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “*Our management*” on Page 174 of this Red Herring Prospectus.

#### MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS

Except as disclosed below, there has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in last ten years except as disclosed below:

- In order to achieve better footfall, Our company acquired total business of 11 (Eleven) stores operating under Brand Name of “My Mobile” from My Mobile Retail Solutions LLP under Business Purchase Agreement dated April 05, 2021 for consideration of ₹184.00 Lakhs.
- In order to better penetrate in the market, Our company acquired total business of 37 (Thirty-seven) stores under Brand Name of “Fonebook” from M/s. HK Retail under Business Purchase Agreement dated June 28, 2021 for consideration of ₹151.00 Lakhs.
- Our company acquired total business of store located at Gandhinagar from M/s. Safe Zone under Business Purchase Agreement dated February 23, 2022 for consideration of ₹70.00 Lakhs.
- Our company has acquired total business of 2 (Two) Stores from I Magic Mobile Private Limited under Business Purchase Agreement dated April 01, 2022 for consideration of ₹17.00 Lakhs.

#### TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Red Herring Prospectus, the total numbers of equity shareholders are 16 (Sixteen). For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page 58 of this Red Herring Prospectus.

## **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

*“To carry on in India or elsewhere, the business to act as distributors, stockiest, franchises, exporters, importers, servicemen, franchisers, otherwise to act as a dealer in all classes, kinds, models, types, nature and description of communication instruments, mobile, telephone, earphone, all other types of communication gadgets, household appliances, electrical appliances, gadgets such as television, refrigerator, air condition, cooking utensils, containers, heaters, geysers, fans, vacuum cleaners, radio, television, stereo, videos, tape recorders, their consumables, parts, accessories and components.”*

## **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Red Herring Prospectus.

## **OTHER AGREEMENTS**

As on the date of this Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Red Herring Prospectus.

## **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any joint venture agreement as on the date of this Red Herring Prospectus.

## **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Red Herring Prospectus.

## **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Red Herring Prospectus.

## **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Red Herring Prospectus.

## KEY INDUSTRY REGULATIONS

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 225 of this Red Herring Prospectus.*

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS:

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### TAX RELATED REGULATIONS

#### Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens

between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination-based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administrated by Central Board of Indirect Taxes and Customs under the Ministry of Finance

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder.**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.



## **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company

## **Laws related to Overseas Investment by Indian Entities:**

Overseas investment by Indian Entities is governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

## **Foreign Trade Policy 2023:**

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

## **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

### **Information Technology Act, 2000 and Rules made there under including any amendments thereto.**

Since our Company is involved in the business of web hosting, software development, providing real time solutions at the place of the Clients and development of tailor made systems at the clients' place at their specifications using computer or computerized system. During the course of development of such products, we interchange sensitive information, data, records, functions, security procedures and like and hence our working is governed by Information Technology Act, 2000 amended from time to time. This act governs and provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as —electronic commerce. It also gives legal recognition to Digital Signatures and facilitates storage of data. The Act is applicable to any offence or contravention committed outside India as well. If the conduct of person constituting the offence involves a computer or a computerized system or network located in India, then irrespective of his/her nationality, the person is punishable under the Act.

The IT Rules focus on and regulate specific areas of the collection, transfer and processing of data, and include the following:

1. The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, which require entities holding users' sensitive personal information to maintain certain specified security standards;
2. The Information Technology (Guidelines for Intermediaries and Digital Media Ethics Code) Rules, 2021, which prohibit content of a specific nature on the internet, and govern the role of intermediaries, including social media intermediaries, in keeping personal data of their users safe online;
3. The Information Technology (Guidelines for Cyber Cafe) Rules, which require cybercafés to register with a registration agency and maintain a log of users' identities and their internet usage; and
4. The Information Technology (Electronic Service Delivery) Rules, which allow the Government to specify that certain services, such as applications, certificates and licences, be delivered electronically.
- 5.

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## **The Digital Personal Data Protection Bill, 2019 (“Bill”)**

The Personal Data Protection Bill, 2019 was introduced in Lok Sabha on December 11, 2019. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

Proposed specific data protection legislation in the form of the Personal Data Protection Bill 2019 had been tabled in Parliament for deliberation in late 2020, and then again in 2021. It was then withdrawn by the Government in early August 2022 and is being re-worked in view of concerns that it was too broad.

## **National Digital Communications Policy 2018**

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus, catalysing economic growth and development, generating new-age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India's long-term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest and identifies steps to strengthen the sector's institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

## **Data Center Policy, 2020**

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smartphones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses / services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

## **E-Waste (Management) Rules, 2022:**

These rules have been enacted in suppression of E-Waste (Management) Rules, 2016 and have been notified on November 02, 2023 in the Gazette of India and has come into effect from April 01, 2023.

These rules shall apply to every manufacturer, producer refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling and processing of e-waste or electrical and electronic equipment listed in Schedule I, including their components, consumables, parts and spares which make the product operational but does not apply to batteries as covered under the Battery Waste Management Rules, 2022; Packaging plastic as covered under the Plastic Waste Management Rules, 2016, micro enterprises as defined under MSMED Act, 2006 and radio-active wastes as covered under the provisions of the Atomic Energy Act, 1962. According to these rules, entities covered under the rules are required to get themselves registered with the concerned state Pollution Control Board and to ensure that no damage is caused to the environment during the storage and transportation of e-waste.

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

The Legal Metrology Act, 2009 has been promulgated with the objective to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold and distributed in

weights, measures or numbers. Weight and measures used by the traders are verified and stamped by the Inspector of the Legal Metrology Department, after due verification, with a seal for ensuring the integrity of the stamp of Inspector and quarter in which it is verified.

### **The Legal Metrology (Packaged Commodity) Rules, 2011**

Section 27 of the Legal Metrology (Packaged Commodity) Rules, 2011 (—LMPC Rules) stipulates that any person who pre-packs or imports any commodity for sale, distribution or delivery, shall be registered with the Controller of Legal Metrology and the Director of Legal Metrology appointed under the Legal Metrology Act, 2009.

### **Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

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

Consumer protection is the practice of safeguarding buyers of goods and services against unfair practices in the market. It refers to the steps adopted for the protection of consumers from corrupt and unscrupulous malpractices by the sellers, manufacturers, service providers, etc. and to provide remedies in case their rights as a consumer have been violated. The Consumer Protection Act, 2019 was introduced to replace the Consumer Protection Act, 1986. The new Act contains various provisions which incorporate the challenges faced by modern and technology-dependent consumers. The Act also contains various provisions for the protection and promoting the rights of the consumers. The main objective of the Act is to protect the interests of the consumers and to establish a stable and strong mechanism for the settlement of consumer disputes.

The Consumer Protection Act 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 has brought 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 also provides for mediation cells for early settlement of the disputes between the parties.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”)**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **Shops and Establishments Laws in Various States**

As per the provisions of local Shops and Establishments laws applicable in the state of business of the organization, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in 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.

## **LAWS RELATED TO ENVIRONMENTAL LAWS**

### **National Environmental Policy, 2006**

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### **Environment (Protection) Act, 1986 as amended (“EPA”)**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Copyright Act, 1957 (“Copyright Act”)**

Software unless attached to machines, in India are protected under Copyright Act and protected from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

### **Designs Act, 2000**

The Designs Act, 2000 along with the Design Rules, 2001 (“Design Laws”) govern design protection in India. The Design Laws were enacted to protect new or original designs from getting misappropriated. A design can only be registered under one specific class. The registered proprietor of the design shall have a copyright in the design for ten years which is extendable for another five years. The Design Laws permit the proprietor to file a suit for recovery of damage and as well as an injunction in the event of piracy of a registered design.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

### **Code on Wages, 2019**

The Code on Wages, 2019 regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

*\*The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.*

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a

requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Employees State Insurance Act, 1948, as amended (the “ESIC Act”)**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015.

## **OTHER GENERAL REGULATIONS**

### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters

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listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### **Other regulations:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 8 (Eight) directors on our Board, out of which 4 (Four) are Executive Directors and 4 (Four) are Independent Directors.

1. Mr. Manishbhai Girishbhai Patel	-	Chairman and Executive Director
2. Mr. Amitkumar Gopalbhai Patel	-	Managing Director
3. Mr. Jigneshkumar Dashrathlal Parekh	-	Whole-Time director
4. Mr. Parth Lallubhai Desai	-	Executive Director and CFO
5. Mr. Jay Deepakbhai Khatnani	-	Independent Director
6. Mrs. Bhavisha Kunal Chauhan	-	Independent Director
7. Mr. Aayush Kamleshbhai Shah	-	Independent Director
8. Mr. Sumitkumar Hareshbhai Patel	-	Independent Director

The Following table sets forth details regarding the Board of Directors as on the date of this Red Herring Prospectus.

Mr. Manishbhai Girishbhai Patel	
Father's Name	Mr. Girishbhai Patel
DIN	01436792
Date of Birth	November 01, 1972
Age	50 Years
Designation	Chairman and Executive Director
Status	Executive
Qualification	He holds the degree of Bachelor in Engineering (Electrical) from Birla Vishvakarma Mahavidhyalaya, Vallabh Vidyanagar, Affiliated to Sardar Patel University, India.
No. of Years of Experience	He is having combined business experience of 17 years in Food Processing Industry as well as Retail Distribution Industry.
Address	6, B New Umiya Vijay Society, Near Rannapark, Ghatlodia, Ahmedabad, 380061 Gujarat, India.
Occupation	Business
Nationality	Indian
Date of Appointment	Initially, he was appointed as Executive Director at the time of Incorporation of the Company i.e., on February 03, 2021. Further, pursuant to approval of Board of Directors in their meeting held on July 12, 2023, his designation was changed from Executive Director to Chairman and Executive Director of the company, liable to retire by rotation w.e.f. July 12, 2023. The same was approved by the shareholders in their Extra-Ordinary General Meeting held on July 13, 2023.
Term of Appointment and date of expiration of current term of office.	He holds office w.e.f. July 12, 2023 and liable to retire by rotation.
Other Directorships	Bandhan Foods Private Limited Pratham Infratel Private Limited Phonewale Limited

Mr. Amitkumar Gopalbhai Patel	
Father's Name	Mr. Gopalbhai Revabhai Patel
DIN	08472609
Date of Birth	January 31, 1982
Age	41 Years
Designation	Managing Director



<b>Mr. Amitkumar Gopalbhai Patel</b>	
Status	Executive Director
Qualification	He is an undergraduate.
No. of Years of Experience	He is having 4 years of business experience in Food Processing Industry.
Address	18, Man Mandir Society, Rannapark, Ghatlodia, Ahmedabad 380061 Gujarat.
Occupation	Business
Nationality	Indian
Date of Appointment	Initially, he was appointed as Executive Director at the time of Incorporation of the Company i.e., on February 03, 2021. Further, pursuant to approval of Board of Directors in their meeting held on July 12, 2023, his designation has been changed from Executive Director to Managing Director of the company, liable to retire by rotation, for a period of 5 (five) years w.e.f. July 12, 2023. The same was approved by the shareholders in their Extra-Ordinary General Meeting held on July 13, 2023 w.e.f. July 12, 2023.
Term of Appointment and date of expiration of current term of office.	He holds Office for period of 5 years with effect from July 12, 2023 and liable for retire by rotation.
Other Directorships	Bandhan Foods Private Limited

<b>Mr. Jigneshkumar Dashrathlal Parekh</b>	
Father's Name	Dashrathlal Nathalal Parekh
DIN	10118869
Date of Birth	January 05, 1984
Age	39 Years
Designation	Whole-Time Director
Status	Executive
Qualification	He is an undergraduate.
No. of Years of Experience	He is having more than 12 years of business experience in Retail Distribution Industry.
Address	87, Amikunj Society, Near Jain Mandir, Behind Pashabhai Petrol Pump, Mahesana-384002, Gujarat, India.
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as an Additional Whole Time Director of the Company liable to retire by rotation in the Board Meeting held on April 14, 2023 for a period of five (5) years with effect from April 14, 2023 or the date of obtaining valid DIN from ministry of corporate affairs whichever is later i.e., April 18, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, his appointment was regularised as a Whole Time Director of the Company for a period of 5 years w.e.f. April 18, 2023 liable to retire by rotation.
Term of Appointment and date of expiration of current term of office.	He holds office for period of 5 years with effect from April 18, 2023 and liable for retire by rotation.
Other Directorships	-

<b>Mr. Parth Lallubhai Desai</b>	
Father's Name	Mr. Lallubhai Arjanbhai Desai
DIN	01452248
Date of Birth	August 22, 1982

<b>Mr. Parth Lallubhai Desai</b>	
Age	41 years
Designation	Executive Director and Chief Financial Officers
Status	Executive
Qualification	He holds the degree of Bachelor of Business Administration (BBA) from the Maharaja Sayajirao University of Baroda and completed training programme on Marketing of Rural Products from Entrepreneurship Development Institute of India.
No. of Years of Experience	He is having more than 15 business years of experience in Retail Distribution Industry.
Address	694/1, Sector-6/b, Near Astha Hostel, Sector-6, Gandhinagar Sector 6, Gandinagar-382006 Gujarat, India.
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as an Additional Executive Director in Promoter Category of the company with effect from March 24, 2023. Thereafter, pursuant to approval of Member in the Extra-Ordinary General Meeting held on July 13, 2023, he was appointed as an Executive Director with effect from March 24, 2023.  Pursuant to approval of Board of Directors in the Board Meeting held on April 22, 2023, he was appointed as Chief Financial Officer of the Company with effect from April 22, 2023
Term of Appointment and date of expiration of current term of office.	He holds office w.e.f. March 24, 2023, liable to retire by rotation in every ensuing Annual General Meeting.
Other Directorships	Paradise Markcom Private Limited

<b>Mr. Jay Deepakbhai Khatnani</b>	
Father's Name	Deepakbhai Mulchand Khatnani
DIN	08659187
Date of Birth	February 10, 1994
Age	29 Years
Designation	Independent Director
Status	Non-Executive
Qualification	He holds degree of Company Secretary from Institute Company Secretaries of India.
No. of Years of Experience	He is having professional experience of more than 7 years in Company Law, Securities Law, Legal Due Diligence, Joint Ventures, Listing and Capital Market Transaction, RERA Registration and Compliances with authority.
Address	37, Patel Society, Near Lakhnbharti School, Sardarnagar, Ahmedabad-382475, Gujarat, India.
Occupation	Professional
Nationality	Indian
Date of Appointment	He was appointed as an Additional Independent Director of the company w.e.f. June 19, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, he was appointed as Non-Executive Independent Director of the company for a period of 5 years upto June 18, 2028, not liable to retire by rotation.
Term of Appointment and date of expiration of current term of office.	He holds office for a period of 5 (Five) years w.e.f. June 19, 2028 and not liable to retire by rotation.

<b>Mr. Jay Deepakbhai Khatnani</b>	
Other Directorships	Shree Ram Proteins Limited

<b>Mrs. Bhavisha Kunal Chauhan</b>	
Father's Name	Kamleshkumar Girdharlal khakhkhar
DIN	10092854
Date of Birth	April 13, 1993
Age	30 Years
Designation	Independent Director
Status	Non-Executive
Qualification	She holds degree of Company Secretary from Institute Company Secretaries of India and degree of Bachelor of Commerce from Gujarat University.
No. of Years of Experience	She is having professional experience of more than 8 years in various Security market issues such as IPOs, FPOs, Bonus Issue, Migration, Voluntary Liquidation of Private Company.
Address	37, Sahjanand Park, opp. Vaibhav Hall, Near Royal Enfield Showroom, Ghodasar – 380050, Gujarat
Occupation	Professional
Nationality	Indian
Date of Appointment	She was appointed as an Additional Independent Director of the company w.e.f. June 19, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, she was appointed as Non-Executive Independent Director of the company for a period of 5 years upto June 18, 2028, not liable to retire by rotation.
Term of Appointment and date of expiration of current term of office.	She holds office for a period of 5 (Five) years w.e.f. June 19, 2028 and not liable to retire by rotation.
Other Directorships	Poshan Nutriwell Private Limited Piotex Industries Limited

<b>Mr. Aayush Kamleshbhai Shah</b>	
Father's Name	Kamleshbhai Kanaiyalal Shah
DIN	10149440
Date of Birth	September 26, 1991
Age	31 Years
Designation	Independent Director
Status	Non-Executive
Qualification	He holds degree of Company Secretary from Institute Company Secretaries of India, Degree of Bachelor of Commerce from Gujarat University, Degree of Bachelor of Law (L.L.B) from Gujarat University.
No. of Years of Experience	He is having professional experience of more than 8 years in the area of Corporate Law, Security law, Capital market, Corporate Governance, FEMA Compliances, Listing Process, liaison with Regulatory authorities as well as Various Compliances under Financial Services.
Address	901, Gulmohar Heights, Opp. Madhur Hall, Anand Nagar Cross road, Satellite, Ahmedabad 380015 Gujarat
Occupation	Service
Nationality	Indian

<b>Mr. Aayush Kamleshbhai Shah</b>	
Date of Appointment	He was appointed as an Additional Independent Director of the company w.e.f. June 19, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, he was appointed as Non-Executive Independent Director of the company for a period of 5 years upto June 18, 2028, not liable to retire by rotation.
Term of Appointment and date of expiration of current term of office.	He holds office for a period of 5 (Five) years upto June 19, 2028 and not liable to retire by rotation.
Other Directorships	IEL Limited

<b>Mr. Sumitkumar Hareshbhai Patel</b>	
Father's Name	Hareshbhai Hargovindbhai Patel
DIN	10105361
Date of Birth	April 08, 2000
Age	23 Years
Designation	Independent Director
Status	Non-Executive
Qualification	He holds degree of Company Secretary from Institute Company Secretaries of India, Degree of Bachelor of Commerce from Gujarat University.
No. of Years of Experience	He is having professional experience of 3 years as Company secretary.
Address	B/108, Ganesh homes, Shiv Shanti Society, Vastral, Ahmedabad -382418 Gujarat
Occupation	Professional
Nationality	Indian
Date of Appointment	He was appointed as an Additional Independent Director of the company w.e.f. June 19, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, he was appointed as Non-Executive Independent Director of the company for a period of 5 years upto June 18, 2028, not liable to retire by rotation.
Term of Appointment and date of expiration of current term of office.	He holds office for a period of 5 (Five) years upto June 19, 2028 and not liable to retire by rotation.
Other Directorships	Falcon Technoprojects India Private Limited

As on the date of the Red Herring Prospectus

1. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers
2. None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
3. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
4. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Red Herring Prospectus.
5. None of Promoters or Directors of our Company are a fugitive economic offender.
6. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

7. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **RELATIONSHIP BETWEEN THE DIRECTORS**

There is no relationship between any of the Directors of our Company as on date of filing of Red Herring Prospectus.

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

#### **SERVICE CONTRACTS**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

#### **BORROWING POWERS OF THE BOARD OF DIRECTORS**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on July 13, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹500 Crores (Rupees Five Hundred Crores only).

#### **BRIEF PROFILE OF OUR DIRECTORS**

##### **Mr. Manishbhai Girishbhai Patel**

Mr. Manishbhai Girishbhai Patel aged 50 years is Chairman and Executive Director of the Company. He holds the degree of Bachelor in Engineering (Electrical) from Birla Vishvakarma Mahavidhyalaya, Vallabh Vidyanagar, Affiliated to Sardar Patel University, India. He is having more than 17 years of business experience in Food Processing Industry as well as Retail Distribution Industry.

##### **Mr. Amitkumar Gopalbhai Patel**

Mr. Amitkumar Gopalbhai Patel aged 41 years is Managing Director of the company. He is an undergraduate. He is having 4 years of business experience in Food Processing Industry.

##### **Mr. Jigneshkumar Dashrathlal Parekh**

Mr. Jigneshkumar Dashrathlal Parekh aged 39 years is Whole-Time Directors of the company. He is an Undergraduate. He is having more than 12 years of business experience in Retail Distribution Industry.

##### **Mr. Parth Lallubhai Desai**

Mr. Parth Lallubhai Desai, aged 41 years is Executive Director and Chief Financial Officer of the company. He holds the degree of Bachelor of Business Administration (BBA) from the Maharaja Sayajirao University of Baroda and completed training programme on Marketing of Rural Products from Entrepreneurship Development Institute of India. He is having more than 15 business years of experience in Retail Distribution Industry.

##### **Mr. Jay Deepakbhai Khatnani**

Mr. Jay Deepakbhai Khatnani aged 29 years is an Independent Director of the company. He holds degree of Company Secretary from Institute Company Secretaries of India. He is having professional experience of more than 7 years in Company Law, Securities Law, Legal Due Diligence, Joint Ventures, Listing and Capital Market Transaction, RERA Registration and Compliances with authority.

**Mrs. Bhavisha Kunal Chauhan**

Mrs. Bhavisha Kunal Chauhan aged 30 years is an Independent Director of the company. She holds degree of Company Secretary from Institute Company Secretaries of India, Degree of Bachelor of Commerce from Gujarat University. She is having professional experience of more than 8 years in various Security market issues such as IPOs, FPOs, Bonus Issue, Migration, Voluntary Liquidation of Private Company.

**Mr. Aayush Kamleshbhai Shah**

Mr. Aayush Kamleshbhai Shah aged 31 years is an Independent Director of the company. He holds degree of Company Secretary from Institute Company Secretaries of India, Degree of Bachelor of Commerce from Gujarat University, Degree of Bachelor of Law (L.L.B) from Gujarat University. He is having professional experience of more than 8 years in the area of Corporate Law, Security law, Capital market, Corporate Governance, FEMA Compliances, Listing Process, liaison with Regulatory authorities as well as Various Compliances under Financial Services.

**Mr. Sumitkumar Hareshbhai Patel**

Mr. Sumitkumar Hareshbhai Patel aged 23 years is an Independent Director of the company. He holds degree of Company Secretary from Institute Company Secretaries of India, Degree of Bachelor of Commerce from Gujarat University. He is having professional experience of 3 years as Company secretary.

**COMPENSATION AND BENEFITS TO THE MANAGING DIRECTORS AND WHOLETIME DIRECTOR ARE AS FOLLOWS: -**

Name	Mr. Jigneshkumar Dashrathlal Parekh	Mr. Amitkumar Gopalbhai Patel
Designation	Whole-Time Director	Managing Director
Date of Appointment/ Change in Designation	He was appointed as an Additional Whole Time Director of the Company liable to retire by rotation in the Board Meeting held on April 14, 2023 for a period of five (5) years with effect from April 14, 2023 or the date of obtaining valid DIN from ministry of corporate affairs whichever is later i.e., April 18, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, his appointment was regularised as a Whole Time Director of the Company for a period of 5 years w.e.f. April 18, 2023 liable to retire by rotation.	Initially, he was appointed as Executive Director at the time of Incorporation of the Company i.e., on February 03, 2021. Further, pursuant to approval of Board of Directors in their meeting held on July 12, 2023, his designation was changed from Executive Director to Chairman and Executive Director of the company, liable to retire by rotation, for a period of 5 (five) years w.e.f. July 12, 2023. The same was approved by the shareholders in their Extra-Ordinary General Meeting held on July 13, 2023
Period	For period of 5 years with effect from April 18, 2023	For a period of 5 years with effect from July 12, 2023
Salary	Basic Salary Not Exceeding ₹15,00,000 per annum.	Basic Salary Not Exceeding ₹15,00,000 per annum.
Bonus	-	-
Perquisite/Benefits	-	-
Commission:	-	-
Compensation/ remuneration paid during the F.Y. 2022-23	Nil	Nil

## SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings. Further, The Board of Directors is into discussion to approve and pay sitting fees to Non-Executive Directors for attending any of the Board or Committee Meetings.

## SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Manishbhai Girishbhai Patel	1837500	Executive Director
2.	Mr. Parth Lallubhai Desai	1212750	Executive Director
3.	Mr. Jigneshkumar Dashrathlal Parekh	294000	Executive Director
4.	Mr. Amitkumar Gopalbhai Patel	275625	Executive Director
5.	Mr. Jay Deepakbhai Khatnani	-	Non-Executive Director
6.	Mrs. Bhavisha Kunal Chauhan	-	Non-Executive Director
7.	Mr. Aayush Kamleshbhai Shah	-	Non-Executive Director
8.	Mr. Sumitkumar Hareshbhai Patel	-	Non-Executive Director

## INTEREST OF DIRECTORS

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company and also payment of interest on unsecured loan and lease rent.

Except as stated under “Annexure –IX -Restated Related Party Transactions” under Chapter titled “Restated Financial Information” beginning on page 198 of the Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which our directors are interested directly or indirectly.

## CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Director	Date of Event	Nature of Event	Reason for the changes in the board
Mr. Manishbhai Girishbhai Patel	February 03, 2021	Appointment	He was appointed as First Director of the company pursuant to incorporation of the company i.e., on February 03, 2021.
Mr. Amitkumar Gopalbhai Patel	February 03, 2021	Appointment	He was appointed as First Director of the company pursuant to incorporation of the company i.e., on February 03, 2021.
Mr. Parth Lallubhai Desai	March 24, 2023	Appointment	He was appointed as an Additional Executive Director of the company with effect from March 24, 2023.
Mr. Jigneshkumar Dashrathlal Parekh	April 14, 2023	Appointment	He was appointed as an Additional Whole Time Director of the Company liable to retire by rotation in the Board Meeting held on April

Name of Director	Date of Event	Nature of Event	Reason for the changes in the board
			14, 2023 for a period of five (5) years with effect from April 14, 2023 or the date of obtaining valid DIN from ministry of corporate affairs whichever is later i.e., April 18, 2023
Mr. Jay Deepakbhai Khatnani	June 19, 2023	Appointment	He was appointed as an Additional Independent Director of the company with effect from June 19, 2023.
Mrs. Bhavisha Kunal Chauhan	June 19, 2023	Appointment	She has been appointed as an Additional Independent Director of the company with effect from June 19, 2023.
Mr. Aayush Kamleshbhai Shah	June 19, 2023	Appointment	He has been appointed as an Additional Independent Director of the company with effect from June 19, 2023.
Mr. Sumitkumar Hareshbhai Patel	June 19, 2023	Appointment	He has been appointed as an Additional Independent Director of the company with effect from June 19, 2023.
Mr. Amitkumar Gopalbhai Patel	July 12, 2023	Change in Designation	His Designation has been changed from Executive Director to Managing Director w.e.f. July 12, 2023.
Mr. Manishbhai Girishbhai Patel	July 13, 2023	Change in Designation	His Designation has been changed from Executive Director to Chairman and Executive Director w.e.f. July 12, 2023.
Mr. Jigneshkumar Dashrathlal Parekh	July 13, 2023	Change in Designation	He has been regularised as a Whole time Director of the company w.e.f. April 18, 2023 in Extra-ordinary General Meeting held on July 13, 2023.
Mr. Parth Lallubhai Desai	July 13, 2023	Change in Designation	His Appointment has been regularised by the shareholders as Executive Director of the company w.e.f. July 13, 2023 in Extra-ordinary General Meeting held on July 13, 2023.
Mr. Jay Deepakbhai Khatnani	July 13, 2023	Appointment	He has been regularised as an Independent Director of the company w.e.f. June 19, 2023 in Extra-ordinary General Meeting held on July 13, 2023.
Mrs. Bhavisha Kunal Chauhan	July 13, 2023	Appointment	She has been regularised as an Independent Director of the company w.e.f. June 19, 2023 in Extra-ordinary General Meeting held on July 13, 2023.
Mr. Aayush Kamleshbhai Shah	July 13, 2023	Appointment	He has been regularised as an Independent Director of the company w.e.f. June 19, 2023 in Extra-ordinary General Meeting held on July 13, 2023.
Mr. Sumitkumar Hareshbhai Patel	July 13, 2023	Appointment	He has been regularised as an Independent Director of the company w.e.f. June 19, 2023 in Extra-ordinary General Meeting held on July 13, 2023.
Mr. Parth Lallubhai Desai	July 13, 2023	Appointment	He has been appointed as an Executive Director of the Company with effect from July 13, 2023 in Extra-ordinary General Meeting held on July 13, 2023.



## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Red Herring Prospectus , as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good corporate governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Composition of Board of Directors

Currently our Board is consisting of 8 (Eight) directors out of which 4 (Four) are Executive Directors and 4 (Four) are Independent Directors.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1.	Mr. Jigneshkumar Dashrathlal Parekh	Whole-Time Director	Executive Director	10118869
2.	Mr. Manishbhai Girishbhai Patel	Chairman and Executive Director	Executive Director	01436792
3.	Mr. Amitkumar Gopalbhai Patel	Managing Director	Executive Director	08472609
4.	Mr. Parth Lallubhai Desai	Executive Director and Chief Financial Officer	Executive Director	01452248
5.	Mr. Jay Deepakbhai Khatnani	Independent Director	Non-Executive Director	08659187
6.	Mrs. Bhavisha Kunal Chauhan	Independent Director	Non-Executive Director	10092854
7.	Mr. Aayush Kamleshbhai Shah	Independent Director	Non-Executive Director	10149440
8.	Mr. Sumitkumar Hareshbhai Patel	Independent Director	Non-Executive Director	10105361

### Constitution of Committees

Our company has constituted the following Committees of the Board;

1. **Audit Committee**
2. **Stakeholders Relationship Committee**
3. **Nomination and Remuneration Committee**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

#### **A. Audit Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 13, 2023 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Aayush Kamleshbhai Shah	Chairperson	Independent Director
Mrs. Bhavisha Kunal Chauhan	Member	Independent Director
Mr. Jaykumar Deepakbhai Khatnani	Member	Independent Director
Mr. Parth Lallubhai Desai	Member	Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### Terms of Reference

The Role of Audit Committee not limited to but includes: -

- i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the Statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iii. Examination of financial statement and auditors' report thereon including interim financial results before submission to the Board of Directors for approval particularly with respect to;
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party;
 

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof; Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
- v. Reviewing, with the management, and monitoring 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;
- vi. Scrutiny of Inter-corporate loans and investments;

- vii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- viii. Reviewing and discussing 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;
- ix. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- x. Valuation of undertakings or assets of the company, where ever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems and reviewing with the management, performance of statutory & internal auditors, and adequacy of the internal control systems;
- xii. 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 and discussion with internal auditors of any significant findings and follow up there on;
- xiii. 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;
- xiv. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- xv. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xvi. 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 & background, etc. of the candidate; and
- xvii. Carrying out any other function as assigned by the Board of Directors & other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

**Review of Information**

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor.

**Powers of Committee**

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

**Quorum and Meetings**

The audit committee shall meet as often as necessary subject to minimum 4 times in financial years. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

**B. Stakeholders Relationship Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 13, 2023 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
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Mrs. Bhavisha Kunal Chauhan	Chairperson	Independent Director
Mr. Jaykumar Deepakbhai Khatnani	Member	Independent Director
Mr. Sumitkumar Hareshbhai Patel	Member	Independent Director
Mr. Jigneshkumar Dashrathlal Parekh	Member	Whole time Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### Terms of Reference

To supervise and ensure;

- i. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

### Quorum and Meetings

The Stakeholders Relationship Committee shall meet at least once in financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

### C. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 13, 2023 constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Jaykumar Deepakbhai Khatnani	Chairperson	Independent Director
Mr. Aayush Kamleshbhai Shah	Member	Independent Director
Mrs. Bhavisha Kunal Chauhan	Member	Independent Director
Mr. Sumitkumar Hareshbhai Patel	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

Terms of reference

Role of Nomination and Remuneration Committee not limited to but includes: -

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. 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:

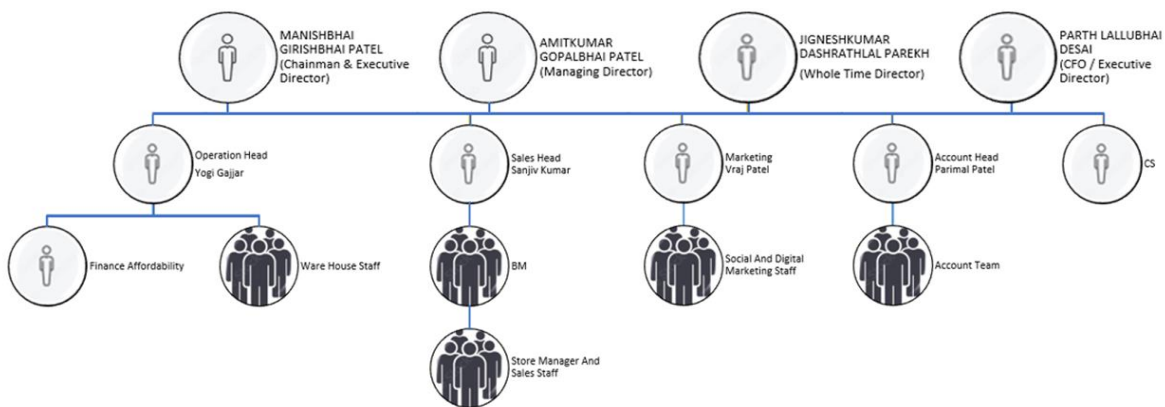
- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iv. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- v. 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 and shall carry out evaluation of every director 's performance;
- vi. recommend to the board, all remuneration, in whatever form, payable to senior management;
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

### Quorum and Meetings

The Committee is required to meet at least once in financial year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

### MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart:



### KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Executive Directors are as follows: -

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2022-23) (₹ in Lakhs)
Name	Mrs. Charmi Vansh Shah*	He holds the degree of Company Secretary (CS) from Institute of Company Secretaries of India.	Yash Chemex Limited	-
Designation	Company Secretary			
Date of Appointment	August 25, 2023			
Overall Experience	She is having more than 3 years of professional experience in all the Secretarial work along with SEBI Compliances.			

### BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Currently, Our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

#### CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Red Herring Prospectus, otherwise than by way of retirement in due course.

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Ms. Urvashi Gandhi	June 06, 2023	Appointment	She has been appointment as a Company Secretary of the Company with effect from June 06, 2023.
Ms. Urvashi Gandhi	July 08, 2023	Cessation	She has resigned from the position of Company Secretary of the Company, citing personal reasons, with effect from July 08, 2023.
Mr. Jigar Lallubhai Desai	March 24, 2023	Appointment	He has been appointment as a Chief financial Officer of the Company with effect from March 24, 2023.
Mr. Jigar Lallubhai Desai	April 22, 2023	Cessation	He has resigned from the post of the Chief Financial Officer (CFO) of the company, citing personal reasons, with effect from April 22, 2023..
Mr. Parth Lallubhai Desai	April 22, 2023	Appointment	He has been appointed as a Chief Financial Officer (CFO) of the Company with effect from April 22, 2023.
Mr. Jigneshkumar Dashrathlal Parekh	July 13, 2023	Appointment	He has been appointed as a Whole-Time Director of the Company with effect from April 18, 2023.
Mr. Amitkumar Gopalbhai Patel	July 13, 2023	Change in Designation	He has been appointed as a Managing Director of the Company with effect from July 12, 2023
Mrs. Charmi Vansh Shah	August 25, 2023	Appointment	She has been appointed as a Company secretary of the company with effect from August 25, 2023.

#### EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Red Herring Prospectus, our company does not have any ESOP Scheme for its employees.

#### RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL

There is no any existing relationship between Key Management Personnel as on date of filing Red Herring Prospectus.

#### PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.

2. There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
3. None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
4. None of our Key Managerial Personnel has entered into any service contracts with our no benefits are granted upon their termination from employment other that statutory benefits provided by our company and Further, our Company has appointed certain Key Managerial Personnel i.e., Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

#### SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

Sr. No.	Name of Key Management Personnel	No. Equity Shares held	Category/ Status
1.	Mr. Manishbhai Girishbhai Patel	1837500	Chairman and Executive Director
2.	Mr. Parth Lallubhai Desai	1212750	Executive Director and CFO
3.	Mr. Jigneshkumar Dashrathlal Parekh	294000	Whole time Director
4.	Mr. Amitkumar Gopalbhai Patel	275625	Managing Director


## OUR PROMOTERS AND PROMOTER GROUP


Promoters of Our Company are:

1. Mr. Manishbhai Girishbhai Patel
2. Mr. Jigar Lallubhai Desai
3. Mr. Parth Lallubhai Desai
4. Mr. Jigneshkumar Dashrathlal Parekh
5. Mr. Amitkumar Gopalbhai Patel

For details of the Capital build-up of our Promoters in our Company, please refer chapter titled “*Capital Structure*” beginning on Page No. 58 of this Red Herring Prospectus.


The details of our Promoters are as follows:


	<b>MR. MANISHBHAI GIRISHBHAI PATEL</b>
	Mr. Manishbhai Girishbhai Patel, aged 50 years, is the Chairman and Executive Director and Promoter of our Company. He holds the degree of Bachelor in Engineering (Electrical) from Birla Vishvakarma Mahavidhyalaya, Vallabh Vidyanagar, Affiliated to Sardar Patel University, India. . Initially, he was appointed as Executive Director at the time of Incorporation of the Company i.e., on February 03, 2021. Further, pursuant to approval of Board of Directors in their meeting held on July 12, 2023, his designation was changed from Executive Director to Chairman and Executive Director of the company, liable to retire by rotation w.e.f. July 12, 2023. The same was approved by the shareholders in their Extra-Ordinary General Meeting held on July 13, 2023. He is having combined business experience of 17 years in Food Processing Industry as well as Retail Distribution Industry.
<b>Date of Birth</b>	November 01, 1972
<b>Age</b>	50 years
<b>PAN</b>	ACTPP9168P
<b>Educational Qualification</b>	He holds the degree of B.E (Electrical) from Birla Vishvakarma Mahavidyalaya, Vallabh Vidyanagar, Affiliated to Sardar Patel University, India.
<b>Present Residential Address</b>	6, B New Umiya Vijay Society, Near RannaPark, Ghatlodia, Ahmedabad, 380061 Gujarat
<b>Position/posts held in the past</b>	Executive Director
<b>Directorship held</b>	Bandhan Foods Private Limited Pratham Infratel Private Limited Phonewale Limited
<b>Other Ventures</b>	OM Marketing Patel Manish Girishbhai HUF Bandhan Restaurant

	<b>MR. JIGAR LALLUBHAI DESAI</b>
	Mr. Jigar Lallubhai Desai, aged 40 years, is the Promoter of our Company. He has completed his higher secondary from Gujarat Secondary Education Board, Gandhinagar. He was appointed as Chief Financial Officer of the company with effect from March 24, 2023. Thereafter, pursuant to Board Meeting held on April 22, 2023, he resigned from the post of Chief Financial Officer of the company with effect from April 22, 2023. He is having more than 4 years of experience in the Food Processing & Retail Distribution Industries.
<b>Date of Birth</b>	October 17, 1980




<b>Age</b>	42 years
<b>PAN</b>	AEXPD2031F
<b>Educational Qualification</b>	He has completed his higher secondary from Gujarat Secondary Education Board, Gandhinagar.
<b>Present Residential Address</b>	Plot no-694 Sector-6 B Gandhinagar Sector 6 Gandhinagar 382006, Gujarat
<b>Position/posts held in the past</b>	Chief Financial Officer
<b>Directorship held</b>	Paradise Markcom Private Limited
<b>Other Ventures</b>	Jigar Desai HUF

	<p><b>MR. PARTH LALLUBHAI DESAI</b></p> <p>Mr. Parth Lallubhai Desai, aged 40 years, is the Executive Director and Promoter of our Company. He holds the degree of Bachelor of Business Administration (BBA) from the Maharaja Sayajirao University of Baroda, Vadodara and completed training programme on Marketing of Rural Products from Entrepreneurship Development Institute of India, Ahmedabad. He was appointed as an Additional Director (Promoter - Executive) of the company with effect from March 24, 2023. Further, he was appointed as Chief Financial Officer of the Company with effect from April 22, 2023. Thereafter, pursuant to approval of Member in the Extra-Ordinary General Meeting held on July 13, 2023, he was appointed as an Executive Director with effect from March 24, 2023 liable to retire by rotation. He is having more than 11 years of experience in Sales &amp; Marketing Industry.</p>
<b>Date of Birth</b>	August 22, 1982
<b>Age</b>	40 years
<b>PAN</b>	AFAPD0130M
<b>Educational Qualification</b>	He holds the degree of Bachelor of Business Administration (BBA) from the Maharaja Sayajirao University of Baroda, Vadodara and completed training programme on Marketing of Rural Products from Entrepreneurship Development Institute of India, Ahmedabad.
<b>Present Residential Address</b>	694/1, Sector-6/b, Near Astha Hostel, Sector-6, Gandhinagar -382006, Gujarat
<b>Position/posts held in the past</b>	Executive Director
<b>Directorship held</b>	Paradise Markcom Private Limited
<b>Other Ventures</b>	Parth Desai HUF Paradise Infotech

	<p><b>MR. JIGNESHKUMAR DASHRATHLAL PAREKH</b></p> <p>Mr. Jigneshkumar Dashrathlal Parekh, aged 39 years, is the Whole Time Director and Promoter of our Company. He is an undergraduate. He was appointed as an Additional Whole Time Director of the Company liable to retire by rotation in the Board Meeting held on April 14, 2023 for a period of five (5) years with effect from April 14, 2023 or the date of obtaining valid DIN from ministry of corporate affairs whichever is later i.e., April 18, 2023. Thereafter, pursuant to the approval of members in the Extra-Ordinary General Meeting held on July 13, 2023, his appointment was regularised as a Whole Time Director of the Company for a period of 5 years w.e.f. April 18, 2023 liable to retire by rotation. He is having more than 12 years of experience in Retail Distribution Industry.</p>
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<b>Date of Birth</b>	January 05, 1984
<b>Age</b>	39 years
<b>PAN</b>	AMMPP0131B
<b>Educational Qualification</b>	He is an undergraduate.
<b>Present Residential Address</b>	87, Amikunj Society, Near Jain Mandir, Behind Pashabhai Petrol Pump, Mahesana-384002, Gujarat, India.
<b>Position/posts held in the past</b>	-
<b>Directorship held</b>	-
<b>Other Ventures</b>	Parekh Jigneshkumar Dashrathbhai HUF Cell City Mobile Shop

	<b>MR. AMITKUMAR GOPALBHAI PATEL</b>
	Mr. Amitkumar Gopalbhai Patel, aged 41 years, is Managing Director and Promoter of our Company. He is an undergraduate. Initially, he was appointed as Executive Director at the time of Incorporation of the Company i.e., on February 03, 2021. Further, pursuant to approval of Board of Directors in their meeting held on July 12, 2023, his designation has been changed from Executive Director to Managing Director of the company, liable to retire by rotation, for a period of 5 (five) years w.e.f. July 12, 2023. The same was approved by the shareholders in their Extra-Ordinary General Meeting held on July 13, 2023 w.e.f. July 12, 2023. He is having 4 years of experience in Food Processing Industry.
<b>Date of Birth</b>	January 31, 1982
<b>Age</b>	41 years
<b>PAN</b>	ALKPP7576R
<b>Educational Qualification</b>	He has completed his higher secondary from M.B. Patel Gyanjyot Higher Secondary School, Ghatlodiya, Ahmedabad.
<b>Present Residential Address</b>	18, Man Mandir Society, Rannapark, Ghatlodia, Ahmedabad 380061 Gujarat.
<b>Position/posts held in the past</b>	Executive Director
<b>Directorship held</b>	Bandhan Foods Private Limited
<b>Other Ventures</b>	-

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and Driving Licence number of our Promoter are being submitted to the NSE, stock exchange on which the specified securities are proposed to be listed along with filing of this Red Herring Prospectus with the Stock Exchange.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER

There has been no material change in the control or management of our Company since incorporation. For detailed change in management of our Company, please refer to the chapter titled “*Our Management*” beginning on Page No. 174 of this Red Herring Prospectus.

## INTEREST OF OUR PROMOTER

- Except as stated in “*Annexure IX - Restated Related Party Transactions*” under section “*Restated Financial Information*” beginning from page no. 198 of this Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance

with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoter do not have any other interest in our business.

- Further, our Promoter may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “Annexure IX - Restated Related Party Transactions” under section “Restated Financial Information” beginning from page no. 198 of this Red Herring Prospectus.
- Our Promoter, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Red Herring Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Red Herring Prospectus.
- Excepted as otherwise as stated in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Red Herring Prospectus in which Promoter is directly or indirectly interested.

**PAYMENT OF BENEFITS TO OUR PROMOTER**

Except as stated in the section “Annexure IX - Restated Related Party Transactions” under section “Restated Financial Information” beginning from page no. 198 of this Red Herring Prospectus, there has been no payment of benefits made to our Promoter in the two years preceding the filing of this Red Herring Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoter Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

**CONFIRMATIONS**

Our Company and Promoter confirmed that they have not been declared as wilful defaulters or Fraudulent Borrowers or by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoter, Promoter group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoter, Promoter group or directors do not have direct or indirect relation with the companies, its Promoter and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our Promoter or directors are not a fugitive economic offender.

We and Our Promoter, Group Entities, and Companies promoted by the Promoter confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “Outstanding Litigation and Material Developments” appearing on page no. 217 of this Red Herring Prospectus.

**DISASSOCIATION OF PROMOTER IN THE LAST THREE YEAR:**

Our Promoter have not disassociated himself from any Company or Firm during the preceding three years.

**RELATIONSHIP OF PROMOTER WITH EACH OTHER AND 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. Jigar Lallubhai Desai	Mr. Parth Lallubhai Desai	Brother

Name of Promoter	Name of Director	Relationship
Mr. Parth Lallubhai Desai	Mr. Jigar Lallubhai Desai	Brother

#### OUR PROMOTER' GROUP

In addition to our Promoter named above, the following individuals and entities form a part of the Promoter' Group:

##### a. Natural persons who are part of our Individual Promoter Group:

Relationship with Promoter	Mr. Manishbhai Girishbhai Patel
Father	Girishbhai Nathudas Patel
Mother	Kantaben Girishbhai Patel
Spouse	Binaben Manishbhai Patel
Sister/s	Rina Dipakkumar Patel
Son/s	Rushi Manishbhai Patel
Spouse's Father	Chandrakant Manoharbhahi Patel
Spouse's Mother	Savitaben Chandrakant Patel
Spouse's Brother/s	Bhaveshkumar Chandrakant Patel

Relationship with Promoter	Mr. Jigar Lallubhai Desai
Father	Lallubhai Arjanbhai Desai
Mother	Bhagavatiben Lallubhai Desai
Spouse	Payalben Jigarbhai Desai
Brother/s	Parthbhai Lallubhai Desai
Son/s	Viansh Jigarbhai Desai
Daughter/s	Thamya Jigarbhai Desai
	Thrisha Jigarbhai Desai
Spouse's Father	Tejabhai Muljibhai Desai
Spouse's Mother	Kantaben Tejabhai Desai

Relationship with Promoter	Mr. Parth Lallubhai Desai
Father	Lallubhai Arjanbhai Desai
Mother	Bhagavatiben Lallubhai Desai
Spouse	Hiralben Parthbhai Desai
Brother/s	Jigarbhai Lallubhai Desai
Son/s	Rudra Parth Desai
Spouse's Father	Dharamsinh Mandalbhai Desai
Spouse's Mother	Bhanuben Dharamsinh Desai
Spouse's Brother/s	Sameek Dharamsinh Desai
	Vivek Dharamsinh Desai
Spouse's Sister /s	Dharaben Amulbhai Desai

Relationship with Promoter	Mr. Jigneshkumar Dashrathlal Parekh
Father	Dashrathbhai Nathalal Parekh
Mother	Savitaben Dashrathbhai Parekh
Spouse	Rupalben Jigneshkumar Parekh
Brother/s	Bhaves Dashrathbhai Parekh
Sister/s	Ilaben Vijaykumar Sharma
Daughter/s	Vency Jigneshkumar Parekh
	Virahi Jigneshkumar Parekh
Spouse's Father	Jasvantlal A Bhatiya
Spouse's Mother	Kokilaben Jasvantlal Bhatiya
Spouse's Brother/s	Devang Jasvantlal Bhatiya

	Akshay Jasvantlal Bhatiya
Spouse's Sister/s	Vaisaliben Rasmikant Bhatiya

Relationship with Promoter	Mr. Amitkumar Gopalbhai Patel
Father	Gopalbhai Revabhai Patel
Mother	Vinaben Gopalbhai Patel
Spouse	Pinal Amitkumar Patel
Brother/s	Hiteshkumar Gopalbhai Patel
Sister/s	Parulben Gaurangbhai Patel
Son/s	Jay Amitkumar Patel
Spouse's Father	Manubhai Kodarlal Patel
Spouse's Mother	Kapilaben Manubhai Patel
Spouse's Brother/s	Vikaskumar Manubhai Patel

**b. Companies related to our Promoter Company:**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	-
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	-

**c. Companies, Proprietary concerns, HUF's related to our Promoter**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoter or an immediate relative of the Promoter or a firm or HUF in which Promoter or any one or more of his immediate relatives are a member.	Phonewale Limited Bandhan Foods Private Limited Pratham Infratel Private Limited Paradise Markcom Private Limited
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	Kriva Mobitech Private Limited
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than twenty percent.	Gorbandh Restaurant Cell City Mobile Shop Vaishali Imitation Jewellery OM Marketing Bandhan Restaurant Paradise Infotech Avani Plast Rudra Corporation Jigar Desai HUF LA Desai HUF Parth Desai HUF Patel Manish Girishbhai HUF Parekh Jigneshkumar Dashrathbhai HUF

**d. Person whose shareholding is aggregated under the heading "Shareholding of the Promoters Group"**

Sr. No.	Name of Entities / Person
1.	Mr. Vijay Lalsingh Yadav
2.	Ms. Arti Sanjeevkumar
3.	Mr. Somesh Chandreshkumar Patani
4.	Mr. Pranav Rajanikant Patel
5.	Mr. Rajnikant Jayntilal Barot
6.	Mr. Arvinkumar Ranchhodhbhai Patel
7.	Mr. Chandresh Dashrathbharthi Swami
8.	Mr. Dhrumil Dineshbhai Patel
9.	Mr. Harshkumar Bhupendrabhai Kotak
10.	Mr. Krunal Bhagvanbhai Patel
11.	Mr. Dhaval Dineshkumar Patel

For further details on our Group Companies refer Chapter titled “*Information with respect to Group Companies/Entities*” beginning on page no. 239 of this Red Herring Prospectus.

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## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our company does not have any formal Dividend Policy. 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 will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see "*Risk Factors*" – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared dividend in last three years and during stub period from date of this Red Herring Prospectus.

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**SECTION IX – FINANCIAL STATEMENTS**

**RESTATED FINANCIAL INFORMATION**

<b>Sr. No</b>	<b>Particulars</b>	<b>Pages.</b>
1.	Restated Financial Information	F- 1 to F- 31



## **Independent Auditor's Examination report on Restated Financial Information of Fonebox Retail Limited**

To,  
The Board of Directors  
Fonebox Retail Limited,  
702/703, 7<sup>th</sup> Floor, Satyam 64 Opp.  
Gujarat High Court, S G Road NA  
Ahmedabad GJ 380061 IN

Dear Sirs,

1. We have examined the attached Restated Financial Information of Fonebox Retail Limited (Formerly known as Fonebox Retail Private Limited) (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at September 30, 2023, March 31, 2023, 2022 and 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the stub period ended on September 30, 2023 & for the year ended March 31, 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on January 16, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus (Here-in Offer Documents) prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat and the NSE Emerge platform in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 20, 2023 in connection with the proposed IPO of equity shares of the Issuer;

- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the stub period ended September 30, 2023 & for the financial years ended on March 31, 2023, 2022 and 2021 which has been approved by the Board of Directors.
- a) We have not audited the financial statements of the company as at September 30, 2023, March 31, 2023, 2022 & 2021 which were prepared by the company in accordance with Indian Accounting Standard (Indian GAAP).
  - b) We have reaudited Financial Statements of the Company as at and for the six months ended September 30, 2023 & for the years ended March 31, 2023 and relied upon Statutory Audited financial statements of the Company as at and for the years ended March 31, 2022 & 2021 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors at their meeting held on August 29, 2022 and September 04, 2021 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors' Report issued by statutory auditor dated July 13, 2023, August 29, 2022 and September 04, 2021 on the financial statements of the company as at and for the year ended on March 31, 2023, 2022 and 2021 as referred in Paragraph 5(b) above.

The audits for the stub period ended on September 30, 2023 & for the financial years ended March 31, 2023, 2022 & 2021 were conducted by the Company's statutory auditors M/s R K Kotadiya & CO., Chartered Accountants, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and collectively, the "Restated Financial Information" examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The "**Restated Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at and for the stub period ended on September 30, 2023 and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more. These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - b) The "**Restated Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at and for the stub period ended on September 30, 2023 and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

- c) The “**Restated Summary Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company as at and for the stub period ended on September 30, 2023 and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
- d) The Restated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
- g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the stub period ended on September 30, 2023 & and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 which would require adjustments in this Restated Financial Statements of the Company;
- i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
- j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
- k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- l) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the stub period ended on September 30, 2023 & for the year ended March 31, 2023, March 31, 2022 & March 31, 2021 proposed to be included in the Offer Documents.

<b>Annexure No.</b>	<b>Particulars</b>
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Other Non-current Liabilities
I.5	Restated Statement of Deferred Tax Liabilities
I.6	Restated Statement of Long-Term Provisions

Annexure No.	Particulars
I.7	Restated Statement of Short-Term Borrowings
I.8	Restated Statement of Trade Payables
I.9	Restated Statement of Other Current Liabilities
I.10	Restated Statement of Short-Term Provisions
I.11	Restated Statement of Tangible Assets
I.12	Restated Statement of Non-Current Investments
I.13	Restated Statement of Long-Term Loans and Advances
I.14	Restated Statement of Non-Current Assets
I.15	Restated Statement of Inventories
I.16	Restated Statement of Trade Receivables
I.17	Restated Statement of Cash & Cash Equivalents
I.18	Restated Statement of Short-Term Loans & Advances
I.19	Restated Statement of Other Current Assets
<b>II</b>	<b>Restated Statement of Profit &amp; Loos</b>
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Purchases of stock-in-trade
II.4	Restated Statement of Changes in Inventories of finished goods, work-in-progress and Stock in Trade
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Finance Cost
II.7	Restated Statement of Other Expenses
II.8	Restated Statement of Earnings per equity share
Other Annexures:	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities & Capital Commitments

9. We, M/s. S V J K and Associates., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI which is valid till November 30, 2026.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, S V J K and Associates.**  
**Chartered Accountants**  
**Firm Reg. No: 135182W**  
**PRC No: 014698**

**Reeturaj Verma**  
**Partner**  
**Membership No: 193591**  
**UDIN: 24193591BKAFHV5664**  
**Place: Ahmedabad**  
**Date: January 16, 2024**

**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

(₹ in Lakhs)

	Particulars	Note	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	I.1	735.00	50.00	50.00	15.00
	(b) Reserves and surplus	I.2	190.48	170.29	10.43	(2.36)
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	7.00	9.64	14.63	-
	(b) Other Non-current Liabilities	I.4	1,530.10	1,162.56	366.90	24.00
	(c) Deferred Tax liability	I.5	3.89	5.80	6.48	0.06
	(d) Long-term provisions	I.6	5.61	5.25	-	-
	3. Current liabilities					
	(a) Short-term borrowings	I.7	499.57	1,048.58	569.63	-
	(b) Trade payables	I.8				
	i) Due to MSME		304.78	269.42	140.95	-
	ii) Due to Others		767.44	1,023.47	927.17	33.98
	(c) Other current liabilities	I.9	22.25	46.45	10.22	0.12
	(d) Short-term provisions	I.10	276.15	69.59	14.29	0.28
	<b>TOTAL</b>		<b>4,342.27</b>	<b>3,861.05</b>	<b>2,110.70</b>	<b>71.08</b>
<b>II.</b>	<b>ASSETS</b>					
	<b>1. Non-current assets</b>					
	(a) Property Plant & Equipments & Intangible Assets					
	(i) Property Plant & Equipments	I.11	407.90	430.77	397.53	4.35
	(ii) Intangible Assets		37.25	42.45	26.42	-
	(iii) Capital work-in-progress		-	-	-	-
	(b) Non-current investments	I.12	-	-	-	-
	(c) Long-term loans and advances	I.13	-	-	3.00	5.71
	(d) Non Current Assets	I.14	86.82	83.42	67.61	0.26
	<b>2. Current assets</b>					
	(a) Inventories	I.15	2,816.15	2,290.20	1,052.15	15.81
	(b) Trade receivables	I.16	99.85	317.93	227.22	-
	(c) Cash and cash equivalents	I.17	249.94	91.86	44.53	41.51
	(d) Short-term loans and advances	I.18	637.50	599.26	291.43	3.43
	(e) Other Current Assets	I.19	6.86	5.16	0.81	-
	<b>TOTAL</b>		<b>4,342.27</b>	<b>3,861.05</b>	<b>2,110.70</b>	<b>71.08</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

Reeturaj Verma  
Partner  
M No.193591  
UDIN: 24193591BKAFHV5664

Place: Ahmedabad  
Date : January 16, 2024

For and on behalf of the Board of Directors  
FONEBOX RETAIL LIMITED

Amitkumar G Patel  
Managing Director  
DIN: 08472609

Parth Lallubhai Desai  
Executive Director and CFO  
DIN: 01452248

Place: Ahmedabad  
Date : January 16, 2024

Manishbhai G Patel  
Chairman and Executive  
Director  
DIN: 01436792

Charmi Vansh Shah  
Company Secretary  
PAN: GUXPS89OIM

ANNEXURE - II  
STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
I	Revenue from operations	II.1	13,975.84	19,582.60	9,090.74	9.92
II	Other Income	II.2	47.14	43.49	1.59	-
III	<b>Total Income (I+II)</b>		<b>14,022.98</b>	<b>19,626.09</b>	<b>9,092.33</b>	<b>9.92</b>
	<b>Expenses:</b>					
	(a) Cost of materials consumed				-	
	(b) Purchases of stock-in-trade	II.3	13,121.47	18,907.49	9,308.89	25.30
	(c) Changes in inventories of Stock in Trade	II.4	(525.95)	(1,238.05)	(1,036.34)	(15.81)
	(d) Employee benefits expense	II.5	167.79	324.30	173.20	-
	(e) Finance costs	II.6	30.68	100.71	34.99	-
	(f) Depreciation and amortisation expense		39.62	69.03	31.29	0.01
	(g) Other expenses	II.7	973.53	1,242.62	561.09	2.72
IV	<b>Total expenses</b>		<b>13,807.14</b>	<b>19,406.10</b>	<b>9,073.12</b>	<b>12.22</b>
				-		
V	<b>Profit/(Loss) before tax and Exceptional Items (III-IV)</b>		<b>215.84</b>	<b>219.99</b>	<b>19.21</b>	<b>(2.30)</b>
VI	<b>Exceptional Items</b>			(0.25)	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>215.84</b>	<b>219.74</b>	<b>19.21</b>	<b>(2.30)</b>
VIII	<b>Tax expense:</b>					
	(a) Current tax expense		62.56	60.54	3.00	-
	(b) Short/(Excess) provision of tax for earlier years		-	-	-	-
	(c) MAT Credit Entitlement		-	-	(3.00)	-
	(d) Deferred tax charge/(credit)		(1.91)	(0.67)	6.42	0.06
			<b>60.65</b>	<b>59.88</b>	<b>6.41</b>	<b>0.06</b>
IX	<b>Profit after tax for the year (VII-VIII)</b>		<b>155.19</b>	<b>159.86</b>	<b>12.79</b>	<b>(2.36)</b>
XII	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)</b>					
	(a) Basic (in ₹)		2.13	2.35	0.19	(0.04)
	(b) Diluted (in ₹)		2.13	2.35	0.19	(0.04)

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
FONEBOX RETAIL LIMITED

Reeturaj Verma  
Partner  
M No.193591  
UDIN: 24193591BKAFHV5664

Amitkumar G Patel  
Managing Director  
DIN: 08472609

Manishbhai G Patel  
Chairman and Executive  
Director  
DIN: 01436792

Parth Lallubhai Desai  
Executive Director and CFO  
DIN: 01452248

Charmi Vansh Shah  
Company Secretary  
PAN: GUXPS89OIM

Place: Ahmedabad  
Date : January 16, 2024

Place: Ahmedabad  
Date : January 16, 2024

**ANNEXURE - III  
STATEMENT OF CASH FLOW, AS RESTATED**

(₹ in Lakhs)

Particulars	For the period ended	For the period ended	For the year Ended	For the year Ended
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Extraordinary items	215.84	219.99	19.21	(2.30)
Adjustment For:				
(a) Depreciation and Amortization	39.62	69.03	31.29	0.01
(b) Interest Charges	30.68	100.71	34.99	-
(c) (Gain)/Loss on Sale of Assets	-	-	-	-
(d) Other non cash items	-	-	-	-
(e) Interest & Other income	-	(0.35)	-	-
(f) Expenses written off	1.27	2.54	0.07	0.07
Operating Profit before Working Capital Changes	<b>287.41</b>	<b>391.92</b>	<b>85.56</b>	<b>(2.22)</b>
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(525.95)	(1,238.05)	(1,036.34)	(15.81)
(b) (Increase)/Decrease in Trade Receivables	216.81	(90.71)	(227.22)	-
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(43.34)	(327.99)	(288.81)	(9.48)
(d) Increase / (Decrease) in Trade Payables & Other Liabilities	(587.32)	740.15	1,560.47	34.39
CASH GENERATED FROM OPERATIONS	(652.39)	(524.68)	93.66	6.87
Less : Direct Taxes paid	(62.56)	-	(3.00)	-
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>(714.95)</b>	<b>(524.68)</b>	<b>90.66</b>	<b>6.87</b>
NET CASH FROM OPERATING ACTIVITIES (A)	<b>(714.95)</b>	<b>(524.68)</b>	<b>90.66</b>	<b>6.87</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Sales / (Addition) in Fixed Assets & WIP	(11.55)	(118.30)	(450.89)	(4.37)
(b) (Increase) / Decrease in Investment	-	-	-	-
(c) (Increase) / Decrease in Long term loans and advances	-	-	5.71	-
(d) Interest and other income	-	0.35	-	-
NET CASH FROM INVESTING ACTIVITIES (B)	<b>(11.55)</b>	<b>(117.95)</b>	<b>(445.18)</b>	<b>(4.37)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Increase/(Decrease) in Borrowings	(2.64)	(4.99)	14.63	-
(c) Increase/(Decrease) in Long term Liabilities	367.54	795.66	342.90	24.00
(d) Increase / ( Decrease ) in Long Term Provisions	0.36	-	-	-
(e) Issue of Share Capital	550.00	-	35.00	15.00
(f) Interest Paid	(30.68)	(100.71)	(34.99)	-
NET CASH FLOW IN FINANCING ACTIVITIES (C)	<b>884.58</b>	<b>689.96</b>	<b>357.54</b>	<b>39.00</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	158.07	47.33	3.02	41.51
OPENING BALANCE – CASH & CASH EQUIVALENT	<b>91.86</b>	<b>44.53</b>	<b>41.51</b>	-
CLOSING BALANCE - CASH & CASH EQUIVALENT	<b>249.94</b>	<b>91.86</b>	<b>44.53</b>	<b>41.51</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our Report of even date

**For S V J K and Associates**  
Chartered Accountants  
Firm's Registration No: 135182W

Reeturaj Verma  
M No.193591  
UDIN: 24193591BKAFHV5664

Place: Ahmedabad  
Date : January 16, 2024

**For and on Behalf of the Board**  
FONEBOX RETAIL LIMITED

Amitkumar G Patel  
Managing Director  
DIN: 08472609

Parth Lalubhai Desai  
Executive Director and CFO  
DIN: 01452248

Place: Ahmedabad  
Date : January 16, 2024

Manishbhai G Patel  
Chairman and  
Executive Director  
DIN: 01436792

Charmi Vansh Shah  
Company Secretary  
PAN: GUXPS890IM



## Annexure - I.1

## Restated Statement of Share Capital

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Authorised Capital</b>				
No. of Equity Shares of ₹ 10/- each	1,05,00,000	1,05,00,000	5,00,000	1,50,000
Authorised Equity Share Capital In Rs.	1,050.00	1,050.00	50.00	15.00
<b>Issued, Subscribed &amp; Fully Paid up</b>				
No. of Equity Shares of ₹ 10/- each	73,50,000	5,00,000	5,00,000	1,50,000
Issued, Subscribed & Fully Paid up Share Capital In Rs.	735.00	50.00	50.00	15.00
<b>Total</b>	<b>735.00</b>	<b>50.00</b>	<b>50.00</b>	<b>15.00</b>

## Reconciliation of the number of shares outstanding is set out below:-

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Shares outstanding at the beginning of the year	5,00,000.00	5,00,000	1,50,000	
Add:-Shares Issued during the year	68,50,000.00	-	3,50,000	1,50,000
Fresh Issue	-	-	-	-
Bonus Shares Issued	-	-	-	-
Less:Shares bought back during the year				
Other Changes (give details)	-	-	-	-
Shares outstanding at the end of the year	<b>73,50,000</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>1,50,000</b>

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

The Company has allotted 63,00,000 Equity shares by way of Bonus Issue on September 04, 2023, in the ratio of 6:1 i.e., 6 (Six Only) New Equity Shares for every 1 (One Only) Equity Shares held on September 01, 2023.

## Details of Shareholders holding more than 5 % shares:-

Name of Shareholder	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Jigar Lallubhai Desai</b>				
Number of Shares	12,12,750	82,500	75,000	-
% of Holding	16.50%	16.50%	15.00%	-
<b>Manishbhai Girishbhai Patel</b>				
Number of Shares	18,37,500	1,25,000	2,00,000	1,20,000
% of Holding	25.00%	25.00%	40.00%	80.00%
<b>Amitkumar Gopalbhai Patel</b>				
Number of Shares		18,750	12,500	30,000
% of Holding		3.75%	2.50%	20.00%
<b>Parth Lallubhai Desai</b>				
Number of Shares	12,12,750	82,500	75,000	-
% of Holding	16.50%	16.50%	15.00%	-
<b>Vijay Lalsingh Yadav</b>				
Number of Shares		25,000	75,000	-
% of Holding		5.00%	15.00%	-

## Details of promoters holding shares:-

Name of Shareholder	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Jigar Lallubhai Desai</b>				
Number of Shares	12,12,750	82,500	75,000	-
% of Holding	16.50%	16.50%	15.00%	-
<b>Manishbhai Girishbhai Patel</b>				
Number of Shares	18,37,500	1,25,000	2,00,000	1,20,000
% of Holding	25.00%	25.00%	40.00%	80.00%
<b>Amitkumar Gopalbhai Patel</b>				
Number of Shares	2,75,625	18,750	12,500	30,000
% of Holding	3.75%	3.75%	2.50%	20.00%
<b>Parth Lallubhai Desai</b>				
Number of Shares	12,12,750	82,500	75,000	-
% of Holding	16.50%	16.50%	15.00%	-
<b>Jigneshkumar Dashratahbhai Parekh</b>				
Number of Shares	2,94,000	20,000	12,500	-
% of Holding	4.00%	4.00%	2.50%	-

**Annexure - I.2****Restated Statement of Reserves And Surplus****(₹ in Lakhs)**

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>a. General Reserve Account</b>	-	-	-	-
<b>b. Surplus in Statement of Profit &amp; Loss A/c</b>				
Opening balance	170.29	10.43	(2.36)	-
(+) Net Profit For the current year	155.19	159.86	12.79	(2.36)
(-) Less: Bonus Shares Issued	(135.00)	-	-	-
<b>c. Securities Premium A/c</b>				
Opening balance	-	-	-	-
(+) Premiun on shares issued during the period	495.00	-	-	-
(-) Less: Bonus Shares Issued	(495.00)	-	-	-
<b>Net Surplus in Statement of Profit and Loss</b>	<b>190.48</b>	<b>170.29</b>	<b>10.43</b>	<b>(2.36)</b>
<b>Total</b>	<b>190.48</b>	<b>170.29</b>	<b>10.43</b>	<b>(2.36)</b>

**Annexure - I.3****Restated Statement of Long Term Borrowings****(₹ in Lakhs)**

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Secured</b>				
Vehicle Loan (Secured By hypothecation of the Vehicle)	7.00	9.64	14.63	-
<b>Total</b>	<b>7.00</b>	<b>9.64</b>	<b>14.63</b>	<b>-</b>

I.3.1 Vehicle loan is repayable in 48 installments of Rs. 48,945/- per month starting from January, 2022 to December, 2025.  
Loan Amount : Rs. 20,40,000/-,

I.3.2 Maturity Profile and Rate of Interest of vehicle Loan are as set out below:-

**(₹ in Lakhs)**

Term Loan	Maturity Profile				
	Interest Rate	2023-24	2024-25	2025-26	2026-27
Vehicle Loan	7.1%	4.99	5.36	4.28	-
<b>Total</b>		<b>4.99</b>	<b>5.36</b>	<b>4.28</b>	<b>-</b>

**Annexure - I.4****Restated Statement of Other Non-Current Liabilities**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Security Deposit	1,530.10	1,162.56	366.90	24.00
<b>Total</b>	<b>1,530.10</b>	<b>1,162.56</b>	<b>366.90</b>	<b>24.00</b>

**Annexure - I.5****Restated Statement of Deferred Tax Liability**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Deferred Tax Liability</b>				
On account of timing difference in Net block as per books & as per Income Tax	5.35	7.16	6.48	0.06
<b>Deferred Tax Assets</b>				
On account of timing difference in retiral and other benefits	(1.46)	(1.37)	-	-
<b>Total</b>	<b>3.89</b>	<b>5.80</b>	<b>6.48</b>	<b>0.06</b>

**Annexure - I.6****Restated Statement of Long Term Provisions**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Provisions for Gratuity	5.61	5.25	-	-
<b>Total</b>	<b>5.61</b>	<b>5.25</b>	<b>-</b>	<b>-</b>

**Annexure - I.7****Restated Statement of Short Tem Borrowings**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Loan repayable on demand</b>				
<b>(a) Secured Loans</b>				
i. From Bank*	91.09	397.10	-	-
<b>(b) Unsecured Loans</b>				
i. Banks and other parties	125.53	2.88	49.87	-
ii. From Directors/share holders and their relatives	277.78	643.61	515.11	-
<b>(c) Current Maturity of long term debt</b>				
i. Vehicle Loan	5.17	4.99	4.65	-
<b>Total</b>	<b>499.57</b>	<b>1,048.58</b>	<b>569.63</b>	<b>-</b>

**\* Notes:-**

- i) Terms of Repayment :  
Working capital loan from bank is repayable on demand
- ii) Nature of Security with bank :  
i) Primary Security:  
Hypothecation charge on Stock & Debtors  
ii) Collateral:  
Personal Gurantee of Promoters and Residential property owned by Promoter and/or their relative.

Name of Lender/Type of Loan	Rate of Interest
HDFC Bank Ltd - Cash Credit Loan	7.90%
HDFC Bank Ltd - Vehicle Loan	7.10%
HDFC Bank Ltd- Trade Advance	9.75%
IDFC First Bank Ltd - Trade Advance	12.00%
Bajaj Finance Limited- Trade Advance	14.00%
HDB Financial Services Limited- Trade Advance	2% Fixed P.M.
Unsecured Loan From related parties	12.00%

## Annexure - I.8

## Restated Statement of Trade Payable

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Micro, Small and Medium Enterprises	304.78	269.42	140.95	-
Others	767.44	1,023.47	927.17	33.98
<b>Total</b>	<b>1,072.21</b>	<b>1,292.89</b>	<b>1,068.12</b>	<b>33.98</b>

(a) Ageing schedule:

Balance as at 30th September, 2023

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	304.78	-	-	-
(ii) Others	749.29	18.15	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>1,054.06</b>	<b>18.15</b>	<b>-</b>	<b>-</b>

Balance as at 31st March, 2023

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	269.42	-	-	-
(ii) Others	1,014.58	8.90	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>1,284.00</b>	<b>8.90</b>	<b>-</b>	<b>-</b>

Balance as at 31st March 2022

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	140.95	-	-	-
(ii) Others	927.17	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>1,068.12</b>	<b>-</b>	<b>-</b>	<b>-</b>

Balance as at 31st March 2021

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-
(ii) Others	33.98	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>33.98</b>	<b>-</b>	<b>-</b>	<b>-</b>

(b) Dues payable to Micro and Small Enterprises:

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Principal amount remaining unpaid to any supplier as at the year end	304.78	269.42	140.95	-
Interest due on the above mention principal amount remaining unpaid to any supplier	-	-	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-	-
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	-	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-	-

## Annexure - I.9

## Restated Statement of Other Current Liabilities

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Advances from Customers	4.49	10.91	0.80	-
Statutory Dues & Other Current Liabilities	17.76	35.54	9.42	0.12
<b>Total</b>	<b>22.25</b>	<b>46.45</b>	<b>10.22</b>	<b>0.12</b>

## Annexure - I.10

## Restated Statement Short Term Provisions

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Provision for expenses	211.28	4.19	4.07	0.28
Provision for Nexxa Warranty Claim	2.30	7.83	7.22	-
Gratuity Provision	0.01	0.02	-	-
Provision for tax (Net of Advance Tax)	62.56	57.54	3.00	-
<b>Total</b>	<b>276.15</b>	<b>69.59</b>	<b>14.29</b>	<b>0.28</b>

	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2023	Additions	Disposals	Balance as at 30th September 2023	Balance as at 1 April 2023	Depreciation charge for the year	On disposals	Balance as at 30th September 2023	Balance as at 30th September 2023	Balance as at 31 March 2023
I.	<b>Property Plant &amp; Equipment</b>										
	Furniture and Fixtures	340.29	4.71	-	345.00	45.00	16.27	-	61.27	283.73	295.29
	Office equipment	48.38	2.54	-	50.92	11.12	4.74	-	15.86	35.06	37.26
	Computers	45.58	1.65	-	47.23	20.51	7.32	-	27.83	19.40	25.07
	Electrical Installation	62.56	0.94	-	63.50	8.42	3.04	-	11.46	52.04	54.14
	Vehicles	22.46	-	-	22.46	3.45	1.33	-	4.78	17.68	19.01
	<b>Total Property Plant &amp; Equipment</b>	<b>519.27</b>	<b>9.83</b>	<b>-</b>	<b>529.10</b>	<b>88.50</b>	<b>32.70</b>	<b>-</b>	<b>121.20</b>	<b>407.90</b>	<b>430.77</b>
II	<b>Intangible Assets</b>										
	Brands	11.00	-	-	11.00	-	-	-	-	11.00	11.00
	Computer Software	43.29	1.72	-	45.01	11.84	6.91	-	18.75	26.25	31.45
	<b>Total Intangible Assets</b>	<b>54.29</b>	<b>1.72</b>	<b>-</b>	<b>56.01</b>	<b>11.84</b>	<b>6.91</b>	<b>-</b>	<b>18.75</b>	<b>37.25</b>	<b>42.45</b>
III	<b>Capital Work In Progress</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (I+II+III)</b>	<b>573.56</b>	<b>11.55</b>	<b>-</b>	<b>585.11</b>	<b>100.34</b>	<b>39.61</b>	<b>-</b>	<b>139.95</b>	<b>445.15</b>	<b>473.22</b>

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2022	Additions	Disposals	Balance as at 31 March 2023	Balance as at 1 April 2022	Depreciation charge for the year	On disposals	Balance as at 31 March 2023	Balance as at 31 March 2023	Balance as at 31 March 2022
I.	<b>Property Plant &amp; Equipment</b>										
	Furniture and Fixtures	276.33	63.96	-	340.29	15.15	29.85	-	45.00	295.29	261.19
	Office equipment	36.66	11.72	-	48.38	2.77	8.35	-	11.12	37.26	33.89
	Computers	34.93	10.64	-	45.57	6.96	13.55	-	20.51	25.07	27.97
	Electrical Installation	55.42	7.14	-	62.56	2.62	5.80	-	8.42	54.14	52.80
	Vehicles	22.46	-	-	22.46	0.78	2.67	-	3.45	19.01	21.68
	<b>Total Property Plant &amp; Equipment</b>	<b>425.80</b>	<b>93.46</b>	<b>-</b>	<b>519.26</b>	<b>28.28</b>	<b>60.22</b>	<b>-</b>	<b>88.50</b>	<b>430.77</b>	<b>397.53</b>
II	<b>Intangible Assets</b>										
	Brands	11.00	-	-	11.00	-	-	-	-	11.00	11.00
	Computer Software	18.44	24.84	-	43.29	3.02	8.81	-	11.84	31.45	15.42
	<b>Total Intangible Assets</b>	<b>29.44</b>	<b>24.84</b>	<b>-</b>	<b>54.29</b>	<b>3.02</b>	<b>8.81</b>	<b>-</b>	<b>11.84</b>	<b>42.45</b>	<b>26.42</b>
III	<b>Capital Work In Progress</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (I+II+III)</b>	<b>455.24</b>	<b>118.30</b>	<b>-</b>	<b>573.55</b>	<b>31.30</b>	<b>69.03</b>	<b>-</b>	<b>100.34</b>	<b>473.22</b>	<b>423.95</b>

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation charge for the year	On disposals	Balance as at 31 March 2022	Balance as at 31 March 2022	Balance as at 31 March 2021
I.	<b>Property Plant &amp; Equipment</b>										
	Furniture and Fixtures	3.80	272.53	-	276.33	0.01	15.14	-	15.15	261.19	3.79
	Office equipment	-	36.66	-	36.66	-	2.77	-	2.77	33.89	-
	Vehicles	-	22.46	-	22.46	-	0.78	-	0.78	21.68	-
	Computers	-	34.94	-	34.94	-	6.97	-	6.97	27.97	-
	Electrical Installation	0.57	54.85	-	55.42	0.00	2.62	-	2.62	52.80	0.57
	<b>Total Property Plant &amp; Equipment</b>	<b>4.37</b>	<b>421.45</b>	<b>-</b>	<b>425.81</b>	<b>0.01</b>	<b>28.27</b>	<b>-</b>	<b>28.29</b>	<b>397.53</b>	<b>4.35</b>
II	<b>Intangible Assets</b>										
	Brands	-	11.00	-	11.00	-	-	-	-	11.00	-
	Computer Software	-	18.44	-	18.44	-	3.02	-	3.02	15.42	-
	<b>Total Intangible Assets</b>	<b>-</b>	<b>29.44</b>	<b>-</b>	<b>29.44</b>	<b>-</b>	<b>3.02</b>	<b>-</b>	<b>3.02</b>	<b>26.42</b>	<b>-</b>
III	<b>Capital Work In Progress</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>4.37</b>	<b>450.89</b>	<b>-</b>	<b>455.25</b>	<b>0.01</b>	<b>31.29</b>	<b>-</b>	<b>31.31</b>	<b>423.95</b>	<b>4.35</b>

	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		As At Apr-2020	01- Purchase during the period	Disposals	As At Mar-21	Upto 01-Apr-2020	For the period	Disposals	Upto 31-Mar-21	As At Mar-21	As At 31-Mar-2020
I.	<b>Property Plant &amp; Equipment</b>										
	Furniture and Fixtures	-	3.80	-	3.80	-	0.01	-	0.01	3.79	-
	Electrical Installation	-	0.57	-	0.57	-	0.00	-	0.00	0.57	-
	<b>Property Plant &amp; Equipment</b>	<b>-</b>	<b>4.37</b>	<b>-</b>	<b>4.37</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>0.01</b>	<b>4.35</b>	<b>-</b>
II	<b>Intangible Assets</b>										
	Nil	-	-	-	-	-	-	-	-	-	-
	<b>Total Intangible Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
III	<b>Capital Work In Progress</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>-</b>	<b>4.37</b>	<b>-</b>	<b>4.37</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>0.01</b>	<b>4.35</b>	<b>-</b>

## Annexure - I.12

## Restated Statement of Non-Current Investments

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Unquoted Investments:</b>				
Nil	-	-	-	-
<b>Total</b>	-	-	-	-

(Market Value : Not applicable)

## Annexure - I.13

## Restated Statement of Long-term loans and advances

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
(a) Balance with Government Authorities				
MAT Credit Entitlement	-	-	3.00	-
(b) Security Deposit	-	-	-	5.71
<b>Total</b>	-	-	<b>3.00</b>	<b>5.71</b>

## Annexure - I.14

## Restated Statement of Non Current Asset

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Security Deposits	78.06	73.39	67.41	-
Preliminary Expenses	8.76	10.03	0.20	0.26
<b>Total</b>	<b>86.82</b>	<b>83.42</b>	<b>67.61</b>	<b>0.26</b>

## Annexure - I.15

## Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Stock in Trade	2,816.15	2,290.20	1,052.15	15.81
<b>Total</b>	<b>2,816.15</b>	<b>2,290.20</b>	<b>1,052.15</b>	<b>15.81</b>

## Annexure - I.16

## Restated Statement of Trade receivables

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Trade Receivables, Unsecured - Considered good	99.85	317.93	227.22	-
<b>Total</b>	<b>99.85</b>	<b>317.93</b>	<b>227.22</b>	<b>-</b>

## Age of receivables

As At 30/09/2023

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	77.77	20.49	1.42	0.18	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>77.77</b>	<b>20.49</b>	<b>1.42</b>	<b>0.18</b>	<b>-</b>

As At 31/03/2023

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	317.03	0.47	0.43	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>317.03</b>	<b>0.47</b>	<b>0.43</b>	<b>-</b>	<b>-</b>

As at 31/03/2022

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	227.22	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>227.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at 31/03/2021

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure - I.17****Restated Statement of Cash and Bank Balance**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Cash and Cash Equivalents</b>				
Bank Balance				
(i) In current accounts	165.28	0.94	12.53	40.70
(ii) In Credit & Wallet balance	33.18	26.80	15.64	0.18
Cash on Hand	51.48	64.12	16.36	0.63
<b>Total</b>	<b>249.94</b>	<b>91.86</b>	<b>44.53</b>	<b>41.51</b>

**Annexure - I.18****Restated Statement of Short Term Loans And Advances**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Advance to Suppliers	18.59	36.02	3.55	-
Balance With Govt Authority	618.76	563.19	287.88	3.43
Loans & Advances to Employee	0.15	0.05	-	-
<b>Total</b>	<b>637.50</b>	<b>599.26</b>	<b>291.43</b>	<b>3.43</b>

**Annexure - I.19****Restated Statement of Other current assets**

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Prepaid Expenses	5.81	0.36	0.81	-
Insurance Claim receivable	-	3.72	-	-
Interest receivable	1.05	1.08	-	-
<b>Total</b>	<b>6.86</b>	<b>5.16</b>	<b>0.81</b>	<b>-</b>

## Annexure - II.1

## Restated Statement of Revenue from operations

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
Sale of products	13,975.84	19,582.60	9,090.74	9.92
<b>Total</b>	<b>13,975.84</b>	<b>19,582.60</b>	<b>9,090.74</b>	<b>9.92</b>

## Annexure - II.2

## Restated Statement of Other income

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
Interest Income		0.35	-	-
Commission Income	47.14	43.14	1.59	-
<b>Total</b>	<b>47.14</b>	<b>43.49</b>	<b>1.59</b>	<b>-</b>

## Annexure - II.3

## Restated Statement of Purchases of stock-in-trade

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
Purchases of stock-in-trade	13,121.47	18,907.49	9,308.89	25.30
<b>Purchases of stock-in-trade</b>	<b>13,121.47</b>	<b>18,907.49</b>	<b>9,308.89</b>	<b>25.30</b>

## Annexure - II.4

## Restated Statement of Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>Inventories at the end of the year:</b>				
Stock-in-trade	2,816.15	2,290.20	1,052.15	15.81
	<b>2,816.15</b>	<b>2,290.20</b>	<b>1,052.15</b>	<b>15.81</b>
<b>Inventories at the beginning of the year:</b>				
Stock-in-trade	2,290.20	1,052.15	15.81	-
	<b>2,290.20</b>	<b>1,052.15</b>	<b>15.81</b>	<b>-</b>
<b>Net (increase) / decrease</b>	<b>(525.95)</b>	<b>(1,238.05)</b>	<b>(1,036.34)</b>	<b>(15.81)</b>

## Annexure - II.5

## Restated Statement of Employee benefits expense

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
(a) Salaries and wages	164.52	314.03	173.20	-
(b) Contributions to provident and other funds	2.91	5.01	-	-
(c) Gratuity expense	0.36	5.26	-	-
(d) Remuneration paid to Directors/KMPs	-	-	-	-
<b>Total</b>	<b>167.79</b>	<b>324.30</b>	<b>173.20</b>	<b>-</b>

## Annexure - II.6

## Restated Statement of Finance costs

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
Interest Expense	30.68	97.33	34.99	-
Other borrowing costs; bank Charges	-	3.38	-	-
<b>Total</b>	<b>30.68</b>	<b>100.71</b>	<b>34.99</b>	<b>-</b>



## Annexure - II.7

## Restated Statement of Other expenses

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>A. Administrative expenses.</b>				
Rent	201.47	374.54	240.29	-
Rates and taxes	7.77	6.03	5.58	-
Electric Power, Fuel & Water	43.34	79.92	48.04	-
Repairs and maintenance - Buildings	12.72	5.03	3.24	-
Repairs and maintenance - Machinery	1.91	2.47	3.15	-
Repairs and maintenance - Others	0.15	0.38	0.28	-
Travelling and conveyance	4.34	6.31	0.49	-
Bank & Swapping Charges	162.24	225.18	80.68	0.49
Insurance	2.03	3.04	1.96	-
Payments to auditors	3.60	4.10	3.00	0.30
Legal and professional	4.92	12.39	5.21	0.61
Printing & Stationary Expense	4.39	12.88	14.56	0.27
Telephone, postage and Internet exp.	1.15	1.37	0.88	-
Preliminary Expenses written off	1.27	2.54	0.07	0.07
<b>Subtotal (A)</b>	<b>451.30</b>	<b>736.18</b>	<b>407.43</b>	<b>1.72</b>
<b>B. Selling &amp; Distribution Expenses</b>				
Business promotion & testing expense	22.32	57.63	13.77	-
Discount expense	-	-	-	0.00
Commission	468.03	369.19	101.91	1.00
Nexxa Warranty Claim	-	10.71	8.34	-
Miscellaneous expenses and balance W/off	31.88	68.91	29.64	-
<b>Subtotal (B)</b>	<b>522.23</b>	<b>506.44</b>	<b>153.66</b>	<b>1.00</b>
<b>Total (A+B)</b>	<b>973.53</b>	<b>1,242.62</b>	<b>561.09</b>	<b>2.72</b>
<b>(i) Payments to the auditors comprises</b>				
- statutory audit	3.60	4.10	3.00	0.30
<b>(ii) Expenditure on Corporate Social Responsibility</b>				
Gross Amt. required to be spent by the Company during the period	-	-	-	-
Amount spent in cash during the year	-	-	-	-

## Annexure - II.8

## Restated Statement of Earning Per Equity Share

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>Before Exceptional Itmes</b>				
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs)	155.19	159.86	12.79	(2.36)
2. Weighted Average number of equity shares used as denominator for calculating EPS	72,86,885	68,00,000	67,10,822	63,23,014
3. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)	2.13	2.35	0.19	(0.04)

## ANNEXURE-IV

### A. CORPORATE INFORMATION

FONEBOX RETAIL LIMITED (formerly Known as FONEBOX RETAIL PRIVATE LIMITED) ('the Company') is Domiciled in India and incorporated under the provisions of Companies Act 2013. The Company's registered office is at 702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, 5 G Road, Ahmedabad, Gujarat India 380061.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in extra ordinary general meeting of the shareholders of the company held on 28 June 2023 and consequently the name of the company has changed to FONEBOX RETAIL LIMITED pursuant to a fresh certificate of Incorporation by the registrar of Companies on 12 July 2023.

The Company is primarily engaged in the business of retail and wholesale distribution business of mobile handsets, tablets, data cards, mobile accessories, mobile related products, Home appliances and other electronic items.

### B. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounts) Rules, 2014 issued by the Central Government, the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable.

#### 2. Use of estimates

The preparation of financial statements in conformity with Accounting Standards requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are Recognized in the period in which the estimate is revised and future periods affected.

#### 3. Basis of classification of assets and liabilities into Current/non-current

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

As asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### 4. Property, Plant and Equipment

Fixed assets are stated at cost, less accumulated depreciation / Amortization. Costs include all expenses incurred to bring the asset to its present location and condition.

Capital work-in-progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

Subsequent costs are included in the assets carrying amount or Recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### 5. Depreciation

Depreciation is provided to the extent of depreciable amount on a straight-line basis (other than freehold land and capital work-in-progress) over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Depreciation is charged on pro-rata basis for asset purchased/ sold during the year.

The assets residual values, useful life and method of depreciation of PPE are reviewed and adjusted if appropriate, at the end of each reporting period.

Type of Assets	Period
Buildings	30 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Electric Installation	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years

#### 6. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated Amortization and accumulated impairment losses. Intangible assets are amortized on a straight-line value basis over the economic useful life estimated by the management.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Amortization period and the Amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the Amortization period or method, as appropriate, and are treated as changes in accounting estimates. The Amortization expense on intangible assets with finite lives is Recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are Recognized in the statement of profit or loss when the asset is derecognized.

#### 7. Amortization of intangible assets

Amortization is provided on straight line method over the useful life of asset as assessed by the management. Amortization is charged on pro-rata basis for asset purchased/ sold during the year. Estimated useful life are as under:

<b>Type of Assets</b>	<b>Period</b>
Computer Software	3 Years

## **8. Leases**

### **As a Lessee**

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is Recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year. Finance charges are Recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are Recognized as expenses in the periods in which they are incurred. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are Recognized as operating leases. Lease rentals under operating leases are Recognized in the statement of profit and loss on a straight-line basis.

### **As a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is Recognized on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## **9. Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is Recognized as income in the statement of profit and loss.

## **10. Government Grants**

Government Grants if any, received against specific fixed assets are adjusted to the cost of the assets Revenue grants are recognized in the Statement of Profit and Loss.

## **11. Borrowing Cost:**

Interest and other borrowing costs if any, attributable to qualifying assets, are added to the cost of the qualifying asset, until such time as the assets are substantially ready for their intended use. Qualifying assets for capital of general borrowing costs are those that necessarily take more than one year or substantial period of time to get ready for their intended use.

## **12. Investments**

Investments if any, are considered as long term, therefore stated at cost of acquisition and no provision for diminution in value is made having considered as temporary by the board of directors.

## **13. Employee Benefits**

**Post-employment benefit plans**

Contributions to defined contribution retirement benefit schemes are Recognized as expense when employees have rendered services entitling them to such benefits.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are Recognized in full in the statement of profit and loss for the period in which they occur. Past service cost is Recognized immediately to the extent that the benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation Recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

**14. Other employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is Recognized during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

**15. Inventories**

Inventories are valued at lower of cost and net realizable value. Cost of inventories, comprise costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is determined by the Specific identification of cost method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

**16. Revenue recognition**

Revenue from operations is recognized to the extent that it is probable that economic benefit will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of goods:

Revenue from sale of goods is recognized on delivery of merchandise to the customer, when the property in the goods is transferred for a price, and significant risks and rewards have been transferred and no effective ownership control is retained. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**17. Rental income:**

Rental income arising from operating lease is accounted for on a straight-line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Statement of profit or loss due to its operating nature.

**18. Interest income:**

Interest income is recognized based on time proportion basis considering the amount outstanding and rate applicable (EIR).

**19. Foreign currency transactions**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are Recognized in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

**20. Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions.

Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is Recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is Recognized on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

## **21. Provisions, Contingent liabilities and Contingent assets**

A provision is Recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not Recognized in the financial statements. A contingent asset is neither Recognized nor disclosed in the financial statements.

## **22. Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

## **23. Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

## **24. Segment reporting**

The Company's business activity falls within a single primary business segment of retail and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Accounting Standard 17.

## **25. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## Notes to the Re-stated Financial Statements:

## I. Additional regulatory information

## (a) Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended on March 31, 2023, 2022 & 2021. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

## (b) Undisclosed income

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## (c) Relationship with struck off companies

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2023, 2022 & 2021.

## (d) Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2023, 2022 & 2021.

## (e) Utilisation of borrowed funds and share premium

During the year ended on March 31, 2023, 2022 & 2021, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year ended on March 31, 2023, 2022 & 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(f) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(g) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

## II. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

## III. Material Adjustments in Restated Profit &amp; Loss Account:

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
<b>Profit After Tax as per Books of Accounts</b>	<b>155.19</b>	<b>159.87</b>	<b>12.79</b>	<b>(2.36)</b>
Adjustment for provision of Depreciation	-	-	-	-
Adjustment for provision of Income Tax	-	-	-	-
Adjustment for provision of Deferred Tax	-	-	-	-
<b>Profit After Tax as per Restated</b>	<b>155.19</b>	<b>159.87</b>	<b>12.79</b>	<b>(2.36)</b>

## IV. Details of dues to Micro and Small Enterprises as defined under the MSME Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2023, 2022 & 2021 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

V. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived after such deductions.

## VI. Provision for Gratuity

The benefits payable under this plan are governed by "Gratuity Act 1972". Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the summary statement of profit or loss and the funded status and amounts recognised in the statement of assets and liabilities for the respective plans:

## 1. The disclosure in respect of the defined Gratuity Plan are given below:

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
Discount Rate	7.37%	7.35%	NA	NA
Rate of increase in Compensation Levels	7.00%	7.00%	NA	NA
Rate of Return on Plan Assets	NA	NA	NA	NA
Average future services (in Years)	4 Years	6 Years	NA	NA

2. Change in the Present value of Defined Benefit obligation

(₹ in Lakhs)

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
Present value of obligation as at the beginning of the year:	5.26	-	NA	NA
Acquisition adjustment	-	-	NA	NA
Interest cost	0.19	-	NA	NA
Past service cost*	-	-	NA	NA
Current service cost	1.98	5.26	NA	NA
Curtailement Cost/(Credit)	-	-	NA	NA
Settlement Cost/(Credit)	-	-	NA	NA
Benefits paid	-	-	NA	NA
Actuarial (gain)/loss on obligations	(1.81)	-	NA	NA
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>5.63</b>	<b>5.26</b>	<b>NA</b>	<b>NA</b>
Current Liability	0.02	0.01	NA	NA
Non-Current Liability	5.61	5.25	NA	NA

3. Change in the Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
<b>Fair value of Plan Assets as at the beginning of the year:</b>	-	-	NA	NA
Acquisition Adjustments	-	-	NA	NA
Expected Return on Plan Assets	-	-	NA	NA
Employers' Contributions	-	-	NA	NA
Benefits Paid	-	-	NA	NA
Actuarial Gains/(Losses) on Plan Assets	-	-	NA	NA
<b>Fair Value of Plan Assets at the End of the Year</b>	-	-	<b>NA</b>	<b>NA</b>

4. Actuarial Gain/Loss Recognised

(₹ in Lakhs)

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
Actuarial gain/(loss) for the year - Obligation	-	-	NA	NA
Actuarial (gain)/loss for the year - Plan Assets	-	-	NA	NA
Total (gain) / loss for the year	-	-	NA	NA
Actuarial (gain) / loss recognized in the year	-	-	NA	NA
<b>Unrecognized actuarial (gains)/losses at the end of the year</b>	-	-	<b>NA</b>	<b>NA</b>

5. Amount recognized in Balance Sheet & Statement Of Profit & loss

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
Present Value of Benefit Obligation at the end of the Year	(5.63)	(5.26)	NA	NA
Fair Value of Plan Assets at the end of the Period	-	-	NA	NA
Funded Status	-	(5.26)	NA	NA
Unrecognized Actuarial (gains)/losses	-	-	NA	NA
<b>Net (Liability)/Asset Recognized in the Balance Sheet &amp; Profit &amp; Loss</b>	<b>(5.63)</b>	<b>(5.26)</b>	<b>NA</b>	<b>NA</b>

6. Expenses recognized in Profit and Loss

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
Current Service Cost	1.98	-	NA	NA
Past Service Cost	-	-	NA	NA
Interest Cost	0.19	-	NA	NA
Expected Return on Plan Assets	-	-	NA	NA
Curtailement Cost / (Credit)	-	-	NA	NA
Settlement Cost / (Credit)	-	-	NA	NA
Net actuarial (gain)/ loss recognized in the year	(1.81)	-	NA	NA
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>0.36</b>	-	<b>NA</b>	<b>NA</b>

Details of Gratuity Expense and Provision Amount

Particulars	For the Period Ended			
	31/09/2023	31-03-2023	31-03-2022	31-03-2021
Current Liability	0.02	0.01	NA	NA
Non-Current Liability	5.61	5.25	NA	NA
Total Liability	5.63	5.26	NA	NA
<b>Total Liability at the end of the Year</b>	<b>5.63</b>	<b>5.26</b>	<b>NA</b>	<b>NA</b>
<b>Total Gratuity Expense Recognized</b>	<b>5.63</b>	<b>5.26</b>	<b>NA</b>	<b>NA</b>

VII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

VIII. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary.

IX. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

X. Director Personal Expenses

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

XI. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

XII. Corporate Social Responsibility (CSR) is not applicable to the Company and hence details not provided.



## ANNEXURE –VI

## Statement of Accounting &amp; Other Ratios, As Restated

Particulars	30/09/2023	31-03-2023	31-03-2022	31-03-2021
Net Profit as Restated (A)	155.19	159.86	12.79	(2.36)
Add: Depreciation	39.62	69.03	31.29	0.01
Add: Interest on Loan	30.68	100.71	34.99	-
Add: Income Tax/ Deferred Tax	60.65	59.88	6.41	0.06
Add: Exceptional Items	-	0.25	-	-
Less: Other Income	(47.14)	(43.49)	(1.59)	-
<b>EBIDTA</b>	<b>239.00</b>	<b>346.24</b>	<b>83.90</b>	<b>(2.29)</b>
<b>EBIDTA Margin (%)</b>	<b>1.71%</b>	<b>1.77%</b>	<b>0.92%</b>	<b>-23.04%</b>
Net Worth as Restated (B)	916.72	210.26	60.23	12.38
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>16.93%</b>	<b>76.15%</b>	<b>21.24%</b>	<b>-19.10%</b>
Equity Share at the end of year (in Nos.) (C)	73,50,000.00	5,00,000	5,00,000	1,50,000
Weighted No. of Equity Shares (D)	72,86,885.00	68,00,000	67,10,822	63,23,014
(Considering Bonus with retrospective effect)				
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>2.13</b>	<b>2.35</b>	<b>0.19</b>	<b>-0.04</b>
(Considering Bonus with retrospective effect)				
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>12.47</b>	<b>42.05</b>	<b>12.05</b>	<b>8.25</b>

Note:-

EBIDTA Margin = EBIDTA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Sr. No.	Ratio	As At 30/09/2023	As At 31/03/2023	As at March 31, 2022	As at March 31, 2021
1	Current Ratio	2.04	1.34	0.97	1.77
2	Debt-Equity Ratio	0.55	5.03	9.70	0.00
3	Debt Service Coverage Ratio	7.98	3.68	2.16	0.00
4	Return on Equity (ROE)(%)	27.54%	118.20%	35.24%	-38.21%
5	Inventory Turnover Ratio	4.93	10.57	15.49	1.20
6	Trade receivables turnover ratio	66.91	71.84	80.02	0.00
7	Trade payables turnover ratio	11.10	16.02	16.89	1.49
8	Net capital turnover ratio	10.03	48.91	-920.41	0.01
9	Net profit ratio(%)	1.11%	0.82%	0.14%	-23.84%
10	Return on capital employed (ROCE)(%)	18.81%	34.55%	17.02%	-36.99%
11	Return on investments(%)	16.77%	72.57%	21.17%	-18.71%

Sr. No.	Ratio	As At 31/03/2023	Notes	As at March 31, 2022	Notes
1	Current Ratio	38.30%	Refer A-1	-44.97%	Refer B-1
2	Debt-Equity Ratio	-48.12%	Refer A-2	NA	
3	Debt Service Coverage Ratio	70.85%	Refer A-3	NA	
4	Return on Equity (ROE)(%)	235.46%	Refer A-4	-192.22%	Refer B-2
5	Inventory Turnover Ratio	-31.75%	Refer A-5	1190.81%	Refer B-3
6	Trade receivables turnover ratio	-10.22%		NA	
7	Trade payables turnover ratio	-5.19%		1034.45%	Refer B-4
8	Net capital turnover ratio	-105.31%	Refer A-6	-8797138.35%	Refer B-5
9	Net profit ratio(%)	480.12%	Refer A-7	-100.59%	Refer B-6
10	Return on capital employed (ROCE)(%)	103.04%	Refer A-7	-146.01%	Refer B-6
11	Return on investments(%)	242.81%	Refer A-7	-213.15%	Refer B-6

**Note : A Reasons for Variations:**

- 1 Current Ratio : It is primarily increased due to increase in Inventories.
- 2 Debt-Equity Ratio : It is primarily decreased as retained earnings of company is increased.
- 3 Debt Service Coverage Ratio : It is primarily increased due to increase in overall profitability of the company.
- 4 Return on Equity (ROE)(%) : It is primarily increased due to increase in overall profitability of the company.
- 5 Inventory Turnover Ratio : It is primarily decreased as average inventory hold by company is increased.
- 6 Net capital turnover ratio : The reason for change in ratio is due to increase in turnover of company.
- 7 It is primarily increased due to increase in overall profitability of the company.

**Note : B Reasons for Variations:**

- 1 Current Ratio : It is decreased primarily due to increase in Trade Payable.
- 2 Return on Equity (ROE)(%) : It is changed due to increase in overall profitability of Company
- 3 Inventory Turnover Ratio: Due to increase in Turnover of the Company.
- 4 Trade payables turnover ratio : Due to increase in Tradepayable of the company
- 5 Net capital turnover ratio : Due to increase in Tradepayable of the company
- 6 It is primarily increased due to increase in overall profitability of the company.

**ANNEXURE –VII**

**Statement of Capitalization, As Restated**

**(₹ in Lakhs)**

Particulars	Pre-Issue	Post Issue*
	As At 30/09/2023	
<b>Debt :</b>		
Long Term Debt	7.00	7.00
Short Term Debt	499.57	499.57
<b>Total Debt</b>	<b>506.57</b>	<b>506.57</b>
<b>Shareholders Funds</b>		
Equity Share Capital	735.00	[●]
Reserves and Surplus	190.48	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>925.48</b>	<b>[●]</b>
<i>Long Term Debt/ Shareholders' Funds</i>	<i>0.01</i>	<i>[●]</i>
<i>Total Debt / Shareholders Fund</i>	<i>0.55</i>	<i>[●]</i>
* Assuming Full Allotment of IPO shares		

## ANNEXURE –VIII

## Statement of Tax Shelter, As Restated

(₹ in Lakhs)

Particulars	As At			
	30/09/2023	31-03-2023	31-03-2022	31-03-2021
<b>Profit Before Tax as per books of accounts (A)</b>	<b>215.84</b>	<b>219.74</b>	<b>19.21</b>	<b>(2.30)</b>
-- Normal Tax rate	27.82%	27.82%	25.17%	25.17%
-- Minimum Alternative Tax rate	16.69%	16.69%	15.60%	15.60%
<b>Permanent differences</b>				
Other adjustments	2.11	0.95	0.02	-
Prior Period Item	-	-	-	-
<b>Total (B)</b>	<b>2.11</b>	<b>0.95</b>	<b>0.02</b>	<b>-</b>
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	39.62	69.03	31.29	0.01
Depreciation as per Income Tax	32.64	71.67	55.98	0.23
Difference between tax depreciation and book depreciation	6.98	(2.64)	(24.69)	(0.22)
Other adjustments	-	5.26	-	-
Deduction under chapter VI-A	(0.06)	-	-	-
<b>Total (C)</b>	<b>6.93</b>	<b>2.63</b>	<b>(24.69)</b>	<b>(0.22)</b>
<b>Net Adjustments (D = B+C)</b>	<b>9.03</b>	<b>3.57</b>	<b>(24.67)</b>	<b>(0.22)</b>
<b>Total Income (E = A+D)</b>	<b>224.87</b>	<b>223.31</b>	<b>(5.46)</b>	<b>(2.52)</b>
Brought forward losses set off (Depreciation)	-	(5.70)	-	-
Tax effect on the above (F)	-	(5.70)	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>224.87</b>	<b>217.62</b>	<b>(5.46)</b>	<b>(2.52)</b>
Tax Payable for the year	62.56	60.54	-	-
Tax payable as per MAT	36.03	36.67	3.00	-
Tax expense recognised	<b>62.56</b>	<b>60.54</b>	<b>3.00</b>	<b>-</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>MAT</b>	<b>Income Tax</b>

**ANNEXURE –IX**

**Statement of Related Party & Transactions :**

**List of Related Parties where Control exists and Relationships:**

Sr. No	Name of the Related Party	Relationship
1)	M/s. Phonewale	Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence
2)	M/s. Paradise Markcom Private Limited	
3)	M/s. Phonewale Limited	
4)	M/s. Kriva Mobitech Private Limited	
5)	Mr. Manishbhai Girishbhai Patel	Key Managerial Personnel
6)	Mr. Amitkumar Gopalbhai Patel	Key Managerial Personnel
7)	Mrs. Charmi Vansh Shah	Key Managerial Personnel
8)	Mr. Parth Lallubhai Desai	Key Managerial Personnel
9)	Mr. Jigneshkumar Dashrathlal Parekh	Key Managerial Personnel
10)	Mr. Jigar Lallubhai Desai	Key Managerial Personnel
11)	Mr. Dashrathbhai Parekh	Relative of KMP
12)	Mrs. Binaben Manishkumar Patel	Relative of KMP
13)	Ms. Arti Sanjeev Kumar	Relative of KMP
14)	Jigneshkumar Dashrathlal Parekh HUF	Relative of KMP
15)	Mrs. Kantaben Ambalal Patel	Relative of KMP
16)	Mr. Pranav Rajnikant Patel	Relative of KMP
17)	Mr. Rajnikant Jayantilal Barot	Relative of KMP
18)	Mrs. Rupalben Jigneshkumar Parekh	Relative of KMP
19)	Mr. Rushi Manishkumar Patel	Relative of KMP
20)	Mrs. Savitaben Dashrathlal Parekh	Relative of KMP
21)	Mr. Somesh Chandreshkumar Patani	Relative of KMP
22)	Mr. Vijay Lalsingh Yadav	Relative of KMP

**(₹ in Lakhs)**

Transactions during the year:	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>(a) Purchase of Goods</b>				
M/s. Phonewale	-	-	1,282.32	11.01
M/s. Paradise Markcom Private Limited	1,460.88	2,142.79	771.81	-
M/s. Phonewale Limited	2,797.66	4,041.16	390.66	-
M/s. Kriva Mobitech Private Limited	-	21.47	-	-
<b>(b) Sale of Goods</b>				
M/s. Phonewale	-	-	223.95	-
M/s. Paradise Markcom Private Limited	46.83	56.97	34.36	-
M/s. Phonewale Limited	28.91	346.67	316.69	-
M/s. Kriva Mobitech Private Limited	-	0.30	-	-
<b>(c) Interest Paid</b>				
Ms. Arti Sanjeev Kumar	-	-	1.79	-
Mr. Amitkumar Gopalbhai Patel	0.79	-	-	-
Mrs. Binaben Manishkumar Patel	-	6.53	4.03	-
Mr. Dashrathbhai Parekh	-	-	1.19	-
Mr. Jigar Lallubhai Desai	-	10.94	0.92	-
Mr. Jigneshkumar Dashrathlal Parekh	0.98	-	3.67	-
Jigneshkumar Dashrathlal Parekh HUF	-	-	2.63	-
Mrs. Kantaben Ambalal Patel	-	3.30	-	-
Mr. Manishbhai Girishbhai Patel	0.53	7.96	4.81	-
Mr. Parth Lallubhai Desai	0.17	10.63	0.93	-
Mr. Pranav Rajnikant Patel	-	-	0.99	-
Mr. Rajnikant Jayantilal Barot	-	-	0.96	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	0.68	-
Mr. Rushi Manishkumar Patel	-	0.38	0.21	-
Mrs. Savitaben Dashrathlal Parekh	-	-	1.05	-
Mr. Somesh Chandreshkumar Patani	-	-	2.15	-
Mr. Vijay Lalsingh Yadav	-	-	8.56	-

<b>(d) Unsecured Loan taken</b>				
Ms. Arti Sanjeev Kumar	-	-	18.00	-
Mr. Amitkumar Gopalbhai Patel	15.25	-	-	-
Mrs. Binaben Manishkumar Patel	-	-	50.75	-
Mr. Dashrathbhai Parekh	-	-	12.50	-
Mr. Jigar Lallubhai Desai	-	30.00	70.00	-
Mr. Jigneshkumar Dashrathlhal Parekh	260.00	-	41.25	-
Jigneshkumar Dashrathlhal Parekh HUF	-	-	29.50	-
Mrs. Kantaben Ambalal Patel	-	29.00	-	-
Mr. Manishbhai Girishbhai Patel	100.00	150.00	104.50	-
Mr. Parth Lallubhai Desai	19.66	50.00	50.00	-
Mr. Pranav Rajnikant Patel	-	-	10.00	-
Mr. Rajnikant Jayantilal Barot	-	-	10.00	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	6.50	-
Mr. Rushi Manishkumar Patel	-	-	3.00	-
Mrs. Savitaben Dashrathlhal Parekh	-	-	12.50	-
Mr. Somesh Chandreshkumar Patani	-	-	20.00	-
Mr. Vijay Lalsingh Yadav	-	-	142.50	-
<b>(e) Unsecured Loan Repaid</b>				
Mr. Amitkumar Gopalbhai Patel	7.50	-	-	-
Mrs. Binaben Manishkumar Patel	60.25	-	-	-
Mr. Dashrathbhai Parekh	-	-	10.00	-
Mr. Jigar Lallubhai Desai	110.67	-	-	-
Mr. Jigneshkumar Dashrathlhal Parekh	149.49	-	16.25	-
Jigneshkumar Dashrathbhai Parekh Huf	-	-	6.25	-
Mrs. Kantaben Ambalal Patel	31.97	-	-	-
Mr. Manishbhai Girishbhai Patel	69.00	150.00	47.00	-
Mr. Parth Lallubhai Desai	110.41	-	-	-
Mr. Parth Lallubhai Desai	-	-	1.25	-
Mr. Rushi Manishkumar Patel	3.53	-	-	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	5.00	-
Mrs. Savitaben Dashrathlhal Parekh	-	-	10.00	-
Mr. Somesh Chandreshkumar Patani	-	-	12.50	-
<b>(f) Remuneration of KMP</b>				
Mrs. Charmi Vansh Shah	0.64	-	-	-

(₹ in Lakhs)

4. Outstanding Balance Receivables / (Payable)	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Trade receivables</b>				
M/s. Phonewale	-	-	-	-
M/s. Paradise Markcom Private Limited	-	-	-	-
M/s. Phonewale Limited	-	206.45	203.90	-
<b>Trade payable</b>				
Mr. Amitkumar Gopalbhai Patel	8.46	-	-	-
M/s. Phonewale	-	-	-	3.09
M/s. Paradise Markcom Private Limited	-	227.92	308.59	-
M/s. Phonewale Limited	376.15	150.11	134.42	-
Ms. Arti Sanjeev Kumar	-	-	19.61	-
Mrs. Binaben Manishkumar Patel	-	60.25	54.37	-
Mr. Dashrathbhai Parekh	-	-	3.57	-
Mr. Jigar Lallubhai Desai	-	110.67	70.83	-
Mr. Jigneshkumar Dashrathlhal Parekh	-	-	28.30	-
Jigneshkumar Dashrathbhai Parekh Huf	-	-	25.62	-
Mrs. Kantaben Ambalal Patel	-	31.97	-	-
Mr. Manishbhai Girishbhai Patel	100.00	69.00	61.83	-
Mr. Parth Lallubhai Desai	19.66	110.41	50.84	-
Mr. Parth Lallubhai Desai	-	-	9.64	-
Mr. Rajnikant Jayantilal Barot	-	-	10.86	-
Mrs. Rupalben Jigneshkumar Parekh	-	-	2.11	-
Mr. Rushi Manishkumar Patel	-	3.53	3.19	-
Mrs. Savitaben Dashrathlhal Parekh	-	-	3.45	-
Mr. Somesh Chandreshkumar Patani	-	-	20.68	-
Mr. Vijay Lalsingh Yadav	-	-	150.20	-

**ANNEXURE –X**

**Statement of Dividends**  
No Dividend Paid till Date

**ANNEXURE –XI**

**Changes in the Significant Accounting Policies**  
There have been no changes in the accounting policies of the company for the period covered under audit

**ANNEXURE –XII**

**Contingent Liabilities:**  
a.Claims against the Company (including unasserted claims) not acknowledged as debt:

(₹ in Lakhs)

Particulars	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Bank Guarantee	-	-	-	-

(₹ in Lakhs)

Capital Commitment	As At 30/09/2023	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	-	-	-

## Material Adjustments

### **In Profit and Loss Account**

(₹ in Lakhs)

Particulars	For the FY ended			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>Profit After Tax as per Books of Accounts</b>	<b>155.19</b>	<b>159.87</b>	<b>12.79</b>	<b>(2.36)</b>
Adjustment for provision of Depreciation	-	-	-	-
Adjustment for provision of Income Tax	-	-	-	-
Adjustment for provision of Deferred Tax	-	-	-	-
<b>Profit After Tax as per Restated</b>	<b>155.19</b>	<b>159.87</b>	<b>12.79</b>	<b>(2.36)</b>

The impact of the above has been suitably incorporated in the restated balance sheet.

### **Material Regrouping**

(₹ in Lakhs)

Particulars	For the FY ended			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>Reserve &amp; Surplus as per Books of Accounts</b>	<b>190.48</b>	<b>170.29</b>	<b>10.43</b>	<b>(2.36)</b>
Adjustment in Profit & Loss Accounts	-	-	-	-
Adjustment in opening Balance	-	-	-	-
<b>Reserve &amp; Surplus as per Restated</b>	<b>190.48</b>	<b>170.29</b>	<b>10.43</b>	<b>(2.36)</b>
<b>Property, Plant &amp; Equipment and Intangible Assets as per Books of Accounts</b>	<b>445.15</b>	<b>473.22</b>	<b>423.95</b>	<b>4.35</b>
Adjustment for provision of Depreciation	-	-	-	-
Adjustment for Regrouping with Non-Current Items	-	-	-	-
<b>Property, Plant &amp; Equipment and Intangible Assets as per Restated</b>	<b>445.15</b>	<b>473.22</b>	<b>423.95</b>	<b>4.35</b>
<b>Deferred Tax Liability as per Books of Accounts</b>	<b>3.89</b>	<b>6.48</b>	<b>6.48</b>	<b>0.06</b>
Adjustment for provision of Deferred Tax	-	-	-	-
Adjustment in opening Balance	-	-	-	-
<b>Deferred Tax Liability as per Restated</b>	<b>3.89</b>	<b>5.80</b>	<b>6.48</b>	<b>0.06</b>

## OTHER FINANCIAL INFORMATION

(₹ in Lakhs except per share data and unless specified otherwise)

Particulars	For the Period/Year ended			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Net Profit as Restated (A)	155.19	159.86	12.79	(2.36)
Add: Depreciation	39.62	69.03	31.29	0.01
Add: Interest on Loan	30.68	100.71	34.99	-
Add: Income Tax/ Deferred Tax	60.65	59.88	6.41	0.06
Add: Exceptional Items(s)	-	0.25	-	-
Less: Other Income	(47.14)	(43.49)	(1.59)	-
<b>EBITDA</b>	<b>239.00</b>	<b>346.24</b>	<b>83.90</b>	<b>(2.29)</b>
<b>EBITDA Margin (%)</b>	<b>1.71%</b>	<b>1.77%</b>	<b>0.92%</b>	<b>-23.04%</b>
Net Worth as Restated (B)	916.72	210.26	60.23	12.38
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>16.93%</b>	<b>76.15%</b>	<b>21.24%</b>	<b>-19.10%</b>
Equity Share at the end of year (in Nos.) (C)	73,50,000	5,00,000	5,00,000	1,50,000
Weighted No. of Equity Shares (D) (Considering Bonus with retrospective effect)	72,86,885	68,00,000	67,10,822	63,23,014
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>2.13</b>	<b>2.35</b>	<b>0.19</b>	<b>-0.04</b>
<b>(Considering Bonus with retrospective effect)</b>				
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>12.47</b>	<b>42.05</b>	<b>12.05</b>	<b>8.25</b>

### Notes:-

1. The ratios have been computed in the following manner:

- a) Basic and Diluted earnings per share (₹) = 
$$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$$
- b) Return on net worth (%) = 
$$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at period/ year end}}$$
- c) Net asset value per share (₹) = 
$$\frac{\text{Restated Net Worth as at period/ year end}}{\text{Total number of equity shares as at period/ year end}}$$

- The figures disclosed above are based on the Restated Financial Information of the Company.
- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).
- The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.
- Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) = Profit Before Tax + Finance Cost + Depreciation & Amortisation - Other Incomes.



## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated standalone financial statements included in the Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page 27, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated standalone financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.*

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated January 16, 2024 which is included in this Red Herring Prospectus under the section titled “Restated Standalone Financial Information” beginning on page 198 of this Red Herring Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated standalone financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated standalone financial statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 27 and 14 respectively, and elsewhere in this Red Herring Prospectus. Accordingly, the degree to which the financial statements in this Red Herring Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled “Presentation of Financial, Industry and Market data” beginning on page 12 of this Red Herring Prospectus.

### BUSINESS OVERVIEW

Our Company was originally incorporated as “Fonebox Retail Private Limited” a private limited company under the provision of Companies Act, 2013 vide Certificate of Incorporation dated February 05, 2021 issued by Registrar of Companies, Central Registration Centre. Later on, our Company was converted into a Public Limited Company pursuant to special resolution passed at Extra-ordinary General Meeting by the shareholders of our Company held on June 28, 2023 and the name of our Company was changed to “Fonebox Retail Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 12, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U51909GJ2021PLC119941

The main object of the company is To carry on in India or elsewhere, the business to act as distributors, stockiest, franchises, exporters, importers, servicemen, franchisers, otherwise to act as a dealer in all classes, kinds, models, types, nature and description of communication instruments, mobile, telephone, earphone, all other types of communication gadgets, household appliances, electrical appliances, gadgets such as television, refrigerator, air condition, cooking utensils, containers, heaters, geysers, fans, vacuum cleaners, radio, television, stereo, videos, tape recorders, their consumables, parts, accessories and components. The company commenced its operations by in the year 2020-21.



Promoters of our company are Mr. Manishbhai Girishbhai Patel, Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh and Mr. Amitkumar Gopalbhai Patel. While Mr. Manishbhai Girishbhai Patel and Mr. Amitkumar Gopalbhai Patel were associated with the company since its incorporation. Mr. Jigneshkumar Dashrathlal Parekh, Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai joined our company by acquisition of equity shares in 2021. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from mobile handsets, mobile accessories and other consumer durable home appliances such as Smart TVs, Laptop, Air condition etc. Our promoters have combined experience of more than 30 years in the retail distribution, sales and marketing industry, which is the driving force behind the growth achieved by the company.

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in

multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

We operate our retail business with multiple brands. We have a portfolio of retail stores with different brands. We initially started our business operations with brand “**Fonebox**”, for our company owned stores as well as franchise stores. Further, we acquired famous mobilephone retail store brands such as “**Fonebook**” and “**My Mobile**” vide Business Purchase agreements from their respective owners in the year 2021.

Over the years, we have grown our business by focusing on our brands as well as acquiring existing business of other retail brands. In February 2021, we started our business operations with 2 stores with name “Fonebox” in FY 2021 achieving a turnover of around 9.92 lakhs in one month of operation. Besides growing our owned brand “Fonebox”, we focused on inorganic growth by acquiring brands and business of existing stores in FY 2022. We acquired 49 stores under different brand names namely “Fonebook” and “My Mobile” in FY 2022. After acquisition of the brand “Fonebook” we started 11 new stores under the same brand name. As on January 05, 2024 we operate a total of 143 stores. Brand and store acquisition has aided our growth inorganically, along side we have developed our business by improving business of the existing stores and opening new stores simultaneously. For more detail of said transaction, please refer to heading titled “Major events” in the chapter titled “*History and Corporate Matters*” beginning on page 161 of this Red Herring Prospectus

We mainly operate under the brand name of  and . As on January 05, 2024, we operate from total 143 stores across the state of Gujarat. We primarily sell smart mobile handsets of all the major brands, accessories for the mobile handsets, tablets, data cards and other consumer durable electronics goods under one roof. Out of 143 stores 39 stores are company owned retail outlets (“COCO Model”) and 104 stores are under franchise owned and company operated retail model (“FOCO Model”) distributed in more than 20 cities in Gujarat.

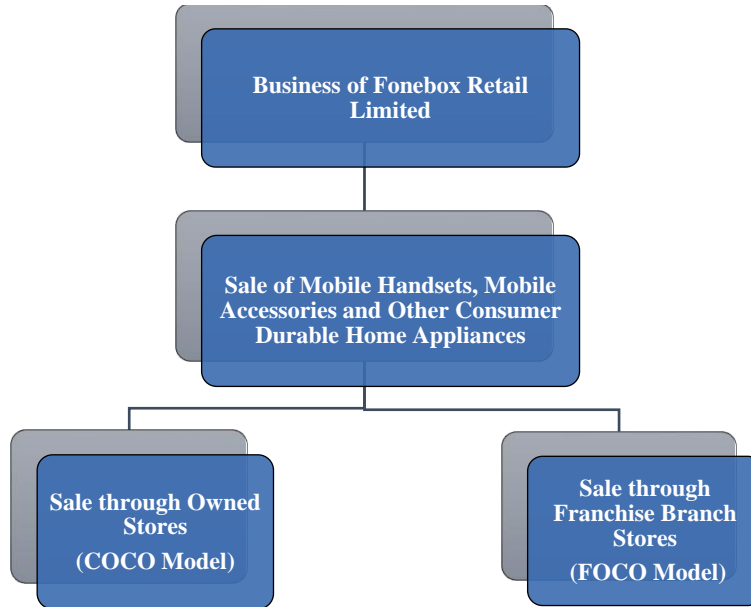
## FINANCIAL SNAPSHOT

The financial performance of the company for stub period and last three years as per restated standalone financial Statement:

(Amount in ₹ Lakh)

Particulars	For the Period/Year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	13975.84	19582.60	9090.74	9.92
Growth in Revenue from Operations (%)	NA	115.41	91525.93	NA
Gross Profit	1380.32	1913.16	818.19	0.43
Gross Profit Margin (%)	9.88	9.77	9.00	4.35
EBITDA	239.00	346.24	83.90	(2.29)
EBITDA Margin	1.71	1.77	0.92	(23.04)
Profit After Tax	155.19	159.86	12.79	(2.36)
PAT Margin (%)	1.11	0.82	0.14	(23.84)
RoE (%)	27.54	118.20	35.24	(38.21)
RoCE (%)	18.81	34.55	17.02	(36.99)
Net Fixed Asset Turnover (In Times)	30.44	43.65	42.45	2.28
Net Working Capital Days	51	16	(2)	970
Operating Cash Flows	(714.95)	(524.68)	90.66	6.88

## OUR BUSINESS MODEL



Our Business Model comprised of two models:

- a) **Sale through Owned Stores (COCO Model):** Under this model, we sell mobile handsets, mobile accessories, and other consumer durable home appliances through our owned stores. Our company as on January 05, 2024, owns and operates 39 stores strategically located in high-traffic areas across the State of Gujarat. These stores serve as hubs for showcasing the latest smart phones, providing hands-on experiences, and delivering top-notch customer services. Our company directly operates its outlets or facilities. The company is responsible for all aspects of the operation, including staffing, management, maintenance, and overall business strategy.
- b) **Sale through Franchise Branch Stores (FOCO Model):** As on January 05, 2024, we sell mobile handsets, mobile accessories, and consumer durable home appliances through 104 franchise retail outlets. All of the 104 franchises are operating on the FOCO model. Under the FOCO model, the company gives its brand name to the franchise at a pre-agreed franchise fee for a period of one to five years. In the FOCO Model, we earn 1% of the total turnover achieved by respective franchises, where such stores are operated by the franchise owner. The company gives its brand name “Fonebox”, “Fonebook”, or “My Mobile” to the franchise, and the store is operated by the franchise owner.

**Quantification of Shops increased:**

Year	Period	Own Store	Franchise Store	Total Store
2020-2021	01/04/2020 TO 31/03/2021	1	1	2
2021-2022	01/04/2021 TO 31/03/2022	31	41	72
2022-2023	01/04/2022 TO 31/03/2023	36	119	155

Increase in Profit Margin (Year on Year):

Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Laptop, Washing Machines, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. The business of company is high volume-low margin business.

Revenue from operations of our company was Rs. 19,582.60 Lakhs and Rs. 9,090.74 Lakhs in FY 2022-23 and FY 2021-22 respectively. Profit after tax of company was Rs. 159.86 Lakhs and Rs. 12.79 Lakhs in FY 2022-23 and FY 2021-22 respectively amounting to PAT Margin of 0.82% for FY 2022-23 and 0.14% for FY 2021-22.

Profitability of company depends upon achievement of present targets as provided by the various mobile phone manufacturing companies. Due to increase in sale of our company, buying capacity of company was increased. Mobile

phone manufacturing companies provides various additional margins to companies where given targets are achieved. Moreover, Company was incorporated in February 2021. During FY 2021-22 company was in the initial years of operations. Therefore, Due to increase in the turnover of the company margins of our company has increased

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:**

After the date of last Audited accounts i.e., September 30, 2023, the Directors of our Company confirm that, there have not been any significant material developments;

#### **FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:**

Our Company's future results of operations could be affected potentially by the following factors:

- ***Expansion of our distribution network***

As we look to grow our number of stores in the future, we expect our new stores to help provide accessibility to “Fonebox”, “Fonebook” and “My Mobile” brands to a larger number of customers, which helps us to enhance our brand awareness in the locations where our stores open. Growing our number of restaurants has also historically enabled us to achieve economies of scale through operational leverage across various costs. This also enabled us to enhance our purchasing power with our suppliers and obtain better pricing for the products that we procure for our customers.

- ***Cost of Goods (Purchase of Stock in Trade)***

Cost of goods is the largest component of our expenses, representing 95.65%, 90.98%, 90.03% and 89.82% of our total revenue, in FY 2021, 2022, 2023 and for the period ended September 30, 2023, respectively. Therefore, any change in the market prices of smart phones, electrical accessories or any part(s) used in the manufacturing of the same for e.g. semiconductor chips, will have a significant and direct impact on our profitability. Our cost of goods is also impacted by the quality that we offer in our stores. Our results of operations are therefore affected by our on-going ability to procure quality goods at an optimum price.

- ***Our diversified product portfolio and product mix***

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. Which enables us to serve as a “one-stop-shop”, with consumers across all income levels purchasing our products. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, Coolers etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. A diverse product portfolio and product mix not only helps increase revenue from operations but also reduces dependence on any single product or product category. The Total Revenue from operations for the period ended on September 30, 2023 was ₹ 13,975.84 Lakhs and for the year ended on FY 2023 was ₹19,582.60 Lakh as compared to ₹9,090.74 Lakh during the FY 2022.

- ***Consumer spending, demographics and general economic and market conditions in India***

The consumer spending patterns, demographics, and overall economic conditions in India can significantly impact our company as higher disposable income levels enable consumers to spend more on discretionary items like mobile phones. During periods of economic growth, when disposable income rises, there is typically an uptick in consumer demand for upgraded or premium mobile devices. While during, there may be a shift towards more budget-friendly options rather than premium flagship models.

- ***Competition***

We compete within the mobile retail industry as well as other consumer durable electrical goods. The mobile retail industry in India is competitive, and we generally compete on the basis of product and service quality and price, location. The industry is often also affected by various factors, including changes in consumer tastes, economic conditions, demographic and technological trends and consumer disposable income. Due to increased competition, we could experience downward pressure on prices, lower demand for our products, reduced margins, an inability to take advantage of new business opportunities, including finding suitable store locations and a loss of market share.

- ***Other Factors:***

- COVID-19 Pandemic;
- Natural Calamities e.g., Tsunami
- Political Stability of the Country;
- Our dependence on limited number of suppliers for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

#### OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies please refer Significant Accounting Policies and Notes to accounts, “Annexure IX” beginning under Chapter titled “*Restated standalone Financial Information*” beginning on page 198 of this Red Herring Prospectus.

#### PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

The following descriptions set forth information with respect to the key components of our statement of profit and loss.

##### *Our Income*

##### **Revenue from Operations**

Our revenue from operations primarily consists of sale of products.

The sale of products consists of selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Refrigerators, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

##### **Other Income**

The key components of our other income are:

- (i) interest income; (ii) Commission income

##### **Our Expenses**

Our expenses primarily consist of the following:

1. Purchases of stock-in-trade consists of stock, required for the reselling of smart phones and other electrical equipments.
2. Changes in inventories of stock-in-trade are an adjustment of the opening and closing stock of stock-in-trade at the end of the fiscal;
3. Employee benefits expense consists of salaries and wages, contribution to provident and other funds, Gratuity expense and Remuneration paid to Directors/KMPs;
4. Finance costs includes interest expense on borrowings from banks, related parties and other borrowing costs such as bank Charges;
5. Depreciation and amortization expense comprises of depreciation expense on property, plant and equipment, and amortization of intangible assets; and

6. Other expenses primarily include rent, Bank & Swapping Charges, expenses on power and fuel, commission and other miscellaneous expenses.

### Our Tax Expenses

Elements of our tax expense are as follows:

7. Current tax: Our current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.
8. Deferred tax: Deferred tax is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date

## RESULTS OF OUR OPERATION

Particulars	For the Period Ended		For the Year Ended					
	30-09-2023		31-03-2023		31-03-2022		31-03-2021	
	₹ in Lakhs	(%) of Total Income	₹ in Lakhs	(%) of Total Income	₹ in Lakhs	(%) of Total Income	₹ in Lakhs	(%) of Total Income
Revenue from operations	13,975.84	99.66%	19,582.60	99.78%	9,090.74	99.98%	9.92	100.00%
Other Income	47.14	0.34%	43.49	0.22%	1.59	0.02%	-	-
<b>Total Income (I+II)</b>	<b>14,022.98</b>	<b>100.00%</b>	<b>19,626.09</b>	<b>100.00%</b>	<b>9,092.33</b>	<b>100.00%</b>	<b>9.92</b>	<b>100.00%</b>
<b>Expenses:</b>								
(a) Purchases of stock-in-trade	13,121.47	93.57%	18,907.49	96.34%	9,308.89	102.38%	25.30	255.00%
(b) Changes in inventories of finished goods, work-in-progress and Stock in Trade	(525.95)	(3.75%)	(1,238.05)	(6.31%)	(1,036.34)	(11.40%)	(15.81)	(159.35%)
(c) Employee benefits expense	167.79	1.20%	324.30	1.65%	173.20	1.90%	-	-
(d) Finance costs	30.68	0.22%	100.71	0.51%	34.99	0.38%	-	-
(e) Depreciation and amortisation expense	39.62	0.28%	69.03	0.35%	31.29	0.34%	0.01	0.14%
(f) Other expenses	973.53	6.94%	1,242.62	6.33%	561.09	6.17%	2.72	27.39%
<b>Total expenses</b>	<b>13,807.14</b>	<b>98.46%</b>	<b>19,406.10</b>	<b>98.88%</b>	<b>9,073.12</b>	<b>99.79%</b>	<b>12.22</b>	<b>123.17%</b>
			-					
<b>Profit/(Loss) before tax and Exceptional Items (III-IV)</b>	<b>215.84</b>	<b>1.54%</b>	<b>219.99</b>	<b>1.12%</b>	<b>19.21</b>	<b>0.21%</b>	<b>(2.30)</b>	<b>(23.17%)</b>
<b>Exceptional Items</b>	-	-	<b>(0.25)</b>	<b>(0.00%)</b>	-	-	-	-
<b>Profit/(Loss) before tax (V-VI)</b>	<b>215.84</b>	<b>1.54%</b>	<b>219.74</b>	<b>1.16%</b>	<b>19.21</b>	<b>0.21%</b>	<b>(2.30)</b>	<b>(23.17%)</b>
<b>Tax expense:</b>								
(a) Current tax expense	62.56	0.45%	60.54	0.31%	3.00	0.03%	-	-
(b) Short/(Excess) provision of tax for earlier years	-	-	-	-	-	-	-	-
(c) MAT Credit Entitlement	-	-	-	-	(3.00)	(0.03%)	-	-
(d) Deferred tax charge/(credit)	(1.91)	(0.01%)	(0.67)	(0.00%)	6.42	0.07%	0.06	0.60%
	<b>60.65</b>	<b>0.43%</b>	<b>59.88</b>	<b>0.31%</b>	<b>6.41</b>	<b>0.07%</b>	<b>0.06</b>	<b>0.60%</b>
<b>Profit after tax for the year (VII-VIII)</b>	<b>155.19</b>	<b>1.11%</b>	<b>159.86</b>	<b>0.81%</b>	<b>12.79</b>	<b>0.14%</b>	<b>(2.36)</b>	<b>(23.77%)</b>

## FINANCIAL PERFORMANCE OF THE COMPANY

### **TOTAL INCOME:**

#### ***Revenue from operations***

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. Total Revenue from operations for the period ended September 30, 2023 comprised of ₹ 13,975.84 Lakhs. Income from Operations increased mainly on account of increase in number of stores of both types i.e., Owned Stores (COCO Model) and Franchise operating under FOCO Model in Gujarat resulting in increased sales. Out of total revenue from operations for the period ended September 30, 2023, Revenue from Company Owned Stores constitutes 55.76% and Revenue from Franchise operating under FOCO Model constitutes 44.24%.

#### **Particulars of Revenue Segment wise**

(Amount in ₹ Lakhs)

Particulars	For the Period ended	
	September 30, 2023	
	Sales	%
Revenue from Owned Stores	6182.96	44.24
Revenue from Franchise operating under FOCO Model	7792.88	55.76
<b>Total Revenue</b>	<b>13975.84</b>	<b>100.00</b>

#### ***Other Income:***

Other income of the company was ₹ 47.14 lakhs for the period ended on September 30, 2023 constituting 0.34% of our total income. Other Income mainly includes commission income.

### **EXPENDITURE:**

#### ***Purchase of Stock in trade***

Purchase of Stock-in-trade was ₹ 13,121.47 lakhs for the period ended on September 30, 2023 being 93.57% of total income of the company.

#### **Change in inventories of Stock in trade**

Our opening stock of Stock in trade was ₹ 2,290.20 lakhs as at April 1, 2023, while it was ₹ 1,052.15 lakhs as at April 1, 2022. Our closing stock of Stock in trade was ₹ 2,816.15 lakhs as at September 30, 2023, while it was ₹ 2,290.20 lakhs as at March 31, 2023. The changes in inventories of Stock in trade was ₹ (525.95) lakhs for the period ended September 30, 2023 being (3.75%) of the total income.

#### ***Employee Benefit Expenses***

Employee Benefit expenses was ₹ 167.79 Lakhs for period ended on September 30, 2023. The Employee Benefit expense represents 1.20% of total income. Employee benefit expense mainly includes salaries and wages, Contributions to provident and Gratuity expenses.

#### ***Finance Cost***

Finance Costs for period ended on September 30, 2023 was ₹ 30.68 Lakhs which representing 0.22% of total income. Finance Costs mainly includes interest expense.

#### ***Depreciation***

The Depreciation and amortization expense for September 30, 2023 was ₹ 39.62 lakhs representing 0.28% of total income.

#### ***Other Expenses***

Other Expenses were ₹ 973.53 Lakh representing 6.94% of total income for period ended on September 30, 2023. Other expense mainly includes Rent, Rates and taxes, Electric Power, Fuel & Water, Repairs and maintenance expenses, Travelling and conveyance, Bank & Swapping Charges, Insurance, Payments to auditors, Legal and professional, Printing & Stationary Expense, Business promotion & testing expense, Commission and Miscellaneous expenses and balance W/off.

### COMPARISON OF FY 2022-23 WITH FY 2021-22:

#### **REVENUE:**

Our total income increased by 115.85% from ₹9,092.33 Lakhs in FY 2022 to ₹19,626.09 Lakhs in FY 2023, primarily due to an increase in our revenue from operations and other income as discussed below:

#### **Revenue from operations**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. The Total Revenue from operations for the year ended on FY 2023 was ₹19,582.60 Lakh as compared to ₹9,090.74 Lakh during the FY 2022. Revenue from operations was increased by 115.41% in FY 2023. Income from Operations increased mainly on account of increase in number of stores of both types i.e., Owned Stores (COCO Model) and Franchise operating under FOCO Model in Gujarat resulting in increased sales. Out of total revenue from operations in FY 2023 Revenue from Company Owned Stores constitutes 58.79% and Revenue from Franchise operating under FOCO Model constitutes 41.21%, whereas in FY 2022 it was 65.09% and 34.91% of revenue from operations respectively.

#### **Particulars of Revenue Segment wise**

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31			
	2023		2022	
	Sales	%	Sales	%
Revenue from Owned Stores	11,512.42	58.79	5,916.84	65.09
Revenue from Franchise operating under FOCO Model	8,070.17	41.21	3,173.89	34.91
<b>Total Revenue</b>	<b>19,582.60</b>	<b>100.00</b>	<b>9,090.74</b>	<b>100.00</b>

#### **Other Income:**

Other income of the company were ₹43.49 lakhs and ₹1.59 lakhs for FY 2023 and FY 2022 respectively. Interest and commission income were the main constituents for increase in Other Income for the year FY 2023 from FY 2022. Income from commission increased from ₹1.59 Lakhs in FY 2022 to ₹43.14 Lakhs in FY 2023.

#### **EXPENDITURE:**

Our total expenses increased by 113.89% to ₹19,406.10 lakhs for the FY 2023 from ₹9,073.12 lakhs for the FY 2022, primarily due to the reasons discussed below:

#### **Cost of Goods sold**

Our cost of goods sold (which is the aggregate of our purchase of stock in trade and changes in inventories of stock in trade) makes up a large portion of our operating expenses. During the year ended on March 31, 2023, and March 31, 2022 our cost of goods sold (purchase of stock in trade and changes in inventories of stock in trade) amounted to ₹17,669.44 Lakhs, and ₹8,272.55 Lakhs, respectively, which represents 90.03%, and 90.98%, of our total revenue for the respective periods. Stock in trade consists of stock of various smart phones and other electronic equipments.

#### **Purchase of Stock in trade**

Purchase of Stock in trade increased by 103.11% from ₹9,308.89 lakhs In FY 2022 to ₹18,907.49 lakhs In FY 2023, the primary reason for such increase was due to an increase in our Company's requirement for stock in order to meet demand of our customers.



### **Change in inventories of Stock in trade**

Our opening stock of (i) Stock in trade was ₹1,052.15 lakhs as at April 1, 2022, while it was ₹15.81 lakhs as at April 1, 2021. Our closing stock of (i) Stock in trade was ₹2,290.20 lakhs as at March 31, 2023, while it was ₹1,052.15 lakhs as at March 31, 2022. The changes in inventories of Stock in trade decreased to ₹(1,238.05) lakhs in FY 2023 from ₹(1,036.34) lakhs in FY 2022 were primarily in proportion with the growth in our Company's business in FY 2023.

### **Employee Benefit Expenses**

Employee Benefit expenses increased to ₹324.30 Lakhs for FY 2023 from ₹173.20 Lakh for FY 2022 showing an increase of 87.24% primarily due to increase in includes Salary and wages, , Gratuity and Contribution to Provident and other funds. Salaries and wages were increased to ₹314.03 Lakhs from ₹173.20 Lakhs showing an increase of 81.31%. Further, Contribution to Provident and other funds and gratuity expenses amounts to ₹10.27 Lakhs in FY 2023. This was mainly attributable to an increase in number of employees during the year to support the greater scale of our business during the FY 2023.

### **Finance Cost**

Finance expense were ₹100.71 Lakhs in FY 2023 as against ₹34.99 Lakhs in FY 2022 showing increase of 187.83%. The increase in finance cost is mainly due to increase in interest expenses from ₹34.99 Lakhs in FY 2022 to ₹97.33 Lakhs. Interest expenses consists of interest on secured loans, trade advances, cash credit and unsecured loans.

### **Depreciation**

The Depreciation and amortization expense for FY 2023 was ₹69.03 lakhs as against ₹31.29 lakhs for FY 2022 showing an increase of 120.59% mainly due to mainly on account of an increase in property, plant and equipment to support the operational activities of the business.

### **Other Expenses**

Other Expenses increased to ₹1242.62 Lakhs for FY 2023 from ₹561.09 lakh for FY 2022 showing an increase of 121.47%. Other expenses consist of Administrative expenses and Selling & Distribution expenses. Administrative expenses increase from ₹407.43 Lakhs in FY 2022 to ₹736.18 Lakhs in FY 2023 and Selling & Distribution Expenses increased from ₹153.66 Lakhs in FY 2022 to ₹506.44 Lakhs in FY 2023. Primary reason for the increase is mentioned below:

#### **Administrative Expenses:**

1. Increase in rent by 55.87% to ₹374.54 Lakhs in FY 2023 from ₹240.29 Lakhs in FY 2022, mainly on account of increase of rented premises in order to increase the number of stores and to have a larger distribution network.
2. Increase in bank and swapping charges by 179.10% to ₹225.18 Lakhs in FY 2023 from ₹80.68 Lakhs in FY 2022, due to increase in online payments via credit/debit cards by the customers in order to avail benefit of various ongoing schemes and discounts.
3. In addition to this, we have also occurred other administrative expenses such as repairs and maintenance, Legal and professional fees, electricity and petrol expenses, insurance and other miscellaneous expenses combined amounting to ₹136.46 Lakhs in FY 2023 compared to ₹86.46 Lakhs in FY 2022.

#### **Selling and Distribution Expenses:**

4. Increase in Commission expenses by 262.27% to ₹369.19 Lakhs in FY 2023 from ₹101.91 Lakhs in FY 2022. As we operate on two types of business models i.e., Company owned Company operated stores (COCO Model) and Franchise owned and Company operated stores (FOCO Model).
5. Increase in business promotion & testing expense by 318.52% to ₹57.63 Lakhs in FY 2023 from ₹13.77 Lakhs in FY 2022, mainly on account of an increase in advertisement expenses.
6. In addition to this, we have also occurred other selling and distribution expenses such as warranty claims, courier expenses, store expenses and other office expenses combined amounting to ₹79.62 Lakhs in FY 2023 compared to ₹37.98 Lakhs in FY 2022.

### **Exceptional Items**

Exceptional items consist of ₹0.25 Lakhs in FY 2023, which occurred due to theft.

### **Profit before Tax**

As a result of the foregoing, we recorded an increase of 1,045.37% in our profit before tax, which amounted to ₹219.99 lakhs in FY 2023, as compared to ₹19.21 lakhs in FY 2022. The Profit before Tax for the FY 2023 was 1.12% of the total revenue and it was 0.21% of total revenue for the FY 2022.

### **Tax Expenses**

Our total tax expenses increased to ₹59.88 Lakhs in FY 2023 from ₹6.76 Lakhs in FY 2022, primarily due to an increase in current tax to ₹60.54 Lakhs in FY 2023 from ₹3.00 Lakhs in FY 2022. The increase in current tax was mainly on account of an increase in our restated profit before tax to ₹219.99 Lakhs in FY 2023 from ₹19.21 Lakhs in FY 2022.

### **Profit after Tax (PAT)**

As a result of the foregoing, we recorded an increase of 1149.65% in our profit for the period from ₹12.79 lakhs in the FY 2022 to ₹159.86 lakhs in the FY 2023. The Profit before Tax for the FY 2023 was 0.81% of the total revenue and it was 0.14% of total revenue for the FY 2022. The increase in Profit after Tax is mainly due to two reasons i.e., increase in revenue resulting into higher profit compared to previous financial year.

## **COMPARISON OF FY 2021-22 WITH FY 2020-21:**

### **REVENUE:**

Our total income increased by 91,541.96% from ₹9.92 Lakhs in FY 2021 to ₹9,092.33 Lakhs in FY 2022, primarily due to an increase in our revenue from operations and other income as discussed below:

### **Revenue from operations**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. The Total Revenue from operations for the year ended on FY 2022 was ₹9,090.74 Lakh as compared to ₹9.92 Lakh during the FY 2021. Revenue from operations was increased by 91525.93% in FY 2022. Income from Operations increased mainly on account of increase in number of stores of both types i.e., Owned Stores and Franchise operating under FOCO Model in Gujarat resulting in increased sales. Out of total revenue from operations in FY 2022 Revenue from Owned Stores constitutes 65.09% and Revenue from Franchise operating under FOCO Model constitutes 34.91%, whereas in FY 2021 it was 5.19% and 94.81% of revenue from operations respectively.

### **Particulars of Revenue Segment wise**

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31			
	2022		2021	
	Sales	%	Sales	%
Revenue from Owned Stores	5,916.84	65.09	0.52	5.19
Revenue from Franchise operating under FOCO Model	3,173.89	34.91	9.41	94.81
<b>Total Revenue</b>	<b>9,090.74</b>	<b>100.00</b>	<b>9.92</b>	<b>100.00</b>

### **Other Income:**

Other income of the company were ₹1.59 lakhs and ₹ Nil for FY 2022 and FY 2021 respectively. Other Income consist of only commission income for FY 2022.

### **EXPENDITURE:**

Our total expenses increased by 74139.27% to ₹9,073.12 lakhs for the FY 2022 from ₹12.22 lakhs for the FY 2021, primarily due to the reasons discussed below:

### ***Cost of Goods sold***

Our cost of goods sold (which is the aggregate of our purchase of stock in trade and changes in inventories of stock in trade) makes up a large portion of our operating expenses. During the year ended on March 31, 2022, and March 31, 2021 our cost of goods sold (purchase of stock in trade and changes in inventories of stock in trade) amounted to ₹8,272.55 lakhs, and ₹9.49 lakhs, respectively, which represents 90.98%, and 95.65%, of our total revenue for the respective periods. Stock in trade consists of stock of various smart phones and other electronic equipments.

### ***Purchase of Stock in trade***

Purchase of Stock in trade increased by 36694.03% from ₹25.30 lakhs In FY 2021 to ₹9,308.89 lakhs In FY 2022, the primary reason for such increase was due to an increase in our Company's requirement for stock in order to meet demand of our customers in its existing as well as newly opened stores during the period.

### ***Change in inventories of Stock in trade***

Our opening stock of (i) Stock in trade was ₹15.81 lakhs as at April 1, 2021, while it was ₹Nil as at March 31, 2020. Our closing stock of (i) Stock in trade was ₹1,052.15 lakhs as at March 31, 2022, while it was ₹15.81 lakhs as at March 31, 2021. The changes in inventories of Stock in trade decreased to ₹(1,036.34) lakhs in FY 2022 from ₹(15.81) lakhs in FY 2021 were primarily in proportion with the growth in our Company's business in FY 2022.

### ***Employee Benefit Expenses***

Employee Benefit expenses increased to ₹173.20 lakhs for FY 2022 from Nil for FY 2021. The increase due to increase in Salary and wages. As our company was incorporated in February 2021 and substantial part of the revenue was derived from franchise stores, employee expenses for the FY 2021 were Nil.

### ***Finance Cost***

Finance expense were ₹34.99 lakhs in FY 2022 as against Nil in FY 2021. The increase is due to increase in long term as well as short-term borrowing in FY 2022 from ₹584.26 Lakhs to Nil in FY 2021. Interest expenses consists of interest on secured loans, trade advances, cash credit and unsecured loans.

### ***Depreciation***

The Depreciation and amortization expense for FY 2022 was ₹31.29 lakhs as against ₹0.01 lakhs for FY 2021 showing an increase of 220273.66% mainly due to mainly on account of an increase in property, plant and equipment to support the operational activities of the business.

### ***Other Expenses***

Other Expenses increased to ₹561.09 Lakhs for FY 2022 from ₹2.72 lakh for FY 2021 showing an increase of 20549.11%. Other expenses consist of administrative expenses and Selling & Distribution expenses. Administrative expenses increase from ₹1.72 Lakhs in FY 2021 to ₹407.43 Lakhs in FY 2022 and Selling & Distribution Expenses increased from ₹1.00 Lakhs in FY 2021 to ₹153.66 Lakhs in FY 2022. Primary reason for the increase is mentioned below:

#### ***Administrative Expenses:***

1. Increase in rent to ₹240.29 Lakhs in FY 2022 from Nil in FY 2021, mainly on account of increase of rented premises in order to increase the number of stores and to have a larger distribution network.
2. Increase in bank and swapping charges by 16512.10% to ₹80.68 Lakhs in FY 2022 from ₹0.49 Lakhs in FY 2021, due to increase in online payments via credit/debit cards by the customers in order to avail benefit of various ongoing schemes and discounts.
3. In addition to this, we have also occurred other administrative expenses such as repairs and maintenance, Legal and professional fees, electricity and petrol expenses, insurance and other miscellaneous expenses combined amounting to ₹86.46 Lakhs in FY 2022 compared to ₹1.24 Lakhs in FY 2021.

#### ***Selling and Distribution Expenses:***

4. Increase in Commission expenses by 10091.00% to ₹101.91 Lakhs in FY 2022 from ₹1.00 Lakhs in FY 2021. As we operate on two types of business models i.e., Company owned Company operated stores (COCO Model) and Franchise owned and Company operated stores (FOCO Model).
5. Increase in business promotion & testing expense to ₹13.77 Lakhs in FY 2022 from Nil in FY 2021, mainly on account of an increase in advertisement expenses.
6. In addition to this, we have also occurred other selling and distribution expenses such as warranty claims, courier expenses, store expenses and other office expenses combined amounting to ₹37.98 Lakhs in FY 2022 compared to Nil in FY 2021.

#### ***Profit before Tax***

As a result of the foregoing, we recorded an increase of 935.13% in our profit before tax, which amounted to ₹19.21 lakhs in FY 2022, as compared to ₹(2.30) lakhs in FY 2021. The Profit before Tax for the FY 2022 was 0.21 % of the total revenue and it was (23.17)% of total revenue for the FY 2021.

#### ***Tax Expenses***

Our total tax expenses increased to ₹5.76 Lakhs in FY 2022 from ₹0.06 Lakhs in FY 2021, primarily due to an increase in current tax to ₹2.82 Lakhs in FY 2022 from Nil in FY 2021. The increase in current tax was mainly on account of an increase in our restated profit before tax to ₹18.11 lakhs in FY 2022, as compared to ₹(2.30) lakhs in FY 2021.

#### ***Profit after Tax (PAT)***

As a result of the foregoing, we recorded an increase of 622.23% in our profit for the period from ₹(2.36) lakhs in the FY 2021 to ₹12.35 lakhs in the FY 2022. The Profit before Tax for the FY 2022 was 0.13% of the total revenue and it was (23.75)% of total revenue for the FY 2021. The increase in Profit after Tax is mainly due to increase in revenue resulting into higher profit compared to previous financial year.

### **DISCUSSION ON THE STATEMENT OF CASH FLOWS**

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

Particulars	(Amount in ₹ Lakhs)			
	For the Period/Financial Year Ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net cash flows (used in)/generated from operating activities	(714.95)	(524.68)	90.66	6.88
Net cash flows (used in) investing activities	(11.55)	(117.95)	(445.18)	(4.37)
Net cash flows generated from financing activities	884.58	689.96	357.54	39.00
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>158.08</b>	<b>47.31</b>	<b>2.85</b>	<b>41.51</b>

#### ***Operating activities***

1. For the period ended September 30, 2023, net cash used in operating activities was ₹714.95 Lakhs. This comprised of the profit before tax of ₹215.84 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹39.62 Lakhs and finance cost of ₹30.68 Lakhs. Further, Preliminary expenses amounting to ₹1.27 Lakhs were also written off during the Financial Year. The resultant operating profit before working capital changes was ₹287.41 Lakhs, which was primarily adjusted for an increase in inventories purchased during the period of ₹525.95 Lakhs, decrease in trade receivables of ₹216.81 Lakhs, decrease in trade payables and other liabilities of ₹587.32 Lakhs and increase in Loans & Advances & Other assets of ₹43.34 Lakhs.
2. In FY 2023, net cash used in for operating activities was ₹(524.68) Lakhs. This comprised of the profit before tax of ₹219.99 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹69.03 Lakhs, and finance cost of ₹100.71 Lakhs. Further, Preliminary expenses amounting to ₹2.54 Lakhs were also written off

during the Financial Year. The resultant operating profit before working capital changes was ₹391.92 Lakhs, which was primarily adjusted for an increase in inventories purchased during the year of ₹1,238.05 Lakhs, increase in trade receivables of ₹90.71 Lakhs, decrease in trade payables and other liabilities of ₹740.15 Lakhs, increase in Loans & Advances & Other assets of ₹327.99 Lakhs.

3. In FY 2022, net cash generated from operating activities was ₹90.66 Lakhs. This comprised of the profit before tax of ₹19.21 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹31.29 Lakhs, and finance cost of ₹34.99 Lakhs. Further, Preliminary expenses amounting to ₹0.07 Lakhs were also written off during the Financial Year. The resultant operating profit before working capital changes was ₹85.56 Lakhs, which was primarily adjusted for an increase in inventories purchased during the year of ₹1,036.34 Lakhs, increase in trade receivables of ₹227.22 Lakhs, increase in Loans & Advances & Other current assets of ₹288.81 Lakhs, decrease in trade payables & other liabilities of ₹1,560.29 Lakhs. We also paid an income tax, net of refunds of ₹3.00 Lakhs.
4. In FY 2021, net cash generated from operating activities was ₹6.88 Lakhs. This comprised of the loss before tax of ₹2.30 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹0.01 Lakhs. Further, Preliminary expenses amounting to ₹0.07 Lakhs were also written off during the Financial Year. The resultant operating loss before working capital changes was ₹2.22 Lakhs, which was primarily adjusted for an increase in inventories purchased during the year of ₹15.81 Lakhs, increase in Loans & Advances & Other Assets of ₹9.48 Lakhs, decrease in Trade Payables & Other Liabilities of ₹34.39 Lakhs.

#### ***Investing Activities***

1. For the period ended September 30, 2023, net cash used in investing activities was ₹11.55 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress) of ₹11.55 Lakhs.
2. In FY 2023, net cash used in investing activities was ₹117.95 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress) of ₹118.30 Lakhs.
3. In FY 2022, net cash used in investing activities was ₹445.18 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress) of ₹450.89 Lakhs.
4. In FY 2021, net cash used in investing activities was ₹4.37 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress) of ₹4.37 Lakhs.

#### ***Financing activities***

1. For the period ended September 30, 2023, net cash generated from financing activities was ₹884.58 Lakhs, which predominantly comprised increase of lease long term liabilities of ₹367.54 Lakhs and finance cost paid of ₹30.68 Lakhs, net repayments made to borrowings of ₹2.64 Lakhs and issue of share capital of ₹ 550.00 lakhs.
2. In FY 2023, net cash generated from financing activities was ₹689.96 Lakhs, which predominantly comprised increase of lease long term liabilities of ₹795.66 Lakhs and finance cost paid of ₹100.71 Lakhs, which was partially offset by proceeds received, net of repayments made from borrowings of ₹4.99 Lakhs.
3. In FY 2022, net cash generated from financing activities was ₹357.54 Lakhs, which predominantly comprised of increase in borrowings of ₹14.63 Lakhs, increase of lease long term liabilities of ₹342.90 Lakhs and finance cost paid of ₹34.99 Lakhs and issue of share capital of ₹35.00 Lakhs.
4. In FY 2021, net cash generated from financing activities was ₹39.00 Lakhs, which predominantly comprised of increase in long term liabilities of ₹24.00 Lakhs and issue of share capital of ₹15.00 Lakhs.

#### **INDEBTNESS**

As of September 30, 2023, we had total outstanding indebtedness of ₹1,058.22 Lakhs, which comprises of long-term borrowings amounting to ₹9.64 Lakhs and short-term borrowings of ₹1,048.58 Lakhs. The following table sets out our indebtedness as of March 31, 2023, 2022 and 2021.

(Amount in ₹ Lakhs)

Particulars	As on Period/year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Long term borrowing (excluding current maturity)	7.00	9.64	14.63	-
Short term borrowings	494.40	1,043.59	564.98	-
Current maturity of long-term borrowing	5.17	4.99	4.65	-
<b>Total</b>	<b>506.57</b>	<b>1,058.22</b>	<b>584.26</b>	-

#### CAPITAL EXPENDITURE IN LAST THREE YEARS

Our net capital expenditures include expenditures on tangible and intangible assets. Tangible assets primarily include furniture and fixtures, electrical installations, office equipment and vehicle. Intangible assets include computer software, brand name and goodwill.

The following table sets out our net capital expenditures for the period ended September 30, 2023, and for the financial year ended 2023, 2022 and 2021:

(Amount in ₹ Lakhs)

Particulars	As on Period/year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Tangible Assets</b>				
Furniture and fixtures	4.71	63.96	272.53	3.80
Electrical installations	2.54	11.72	54.85	0.57
Computers	1.65	10.64	34.94	-
Office equipment	0.94	7.14	36.66	-
Vehicles	-	-	22.46	-
<b>Sub-Total (A)</b>	<b>9.83</b>	<b>93.46</b>	<b>421.45</b>	<b>4.37</b>
<b>Intangible Assets</b>				
Brands	-	-	11.00	-
Computer Software	1.72	24.84	18.44	-
<b>Sub-Total (B)</b>	<b>1.72</b>	<b>24.84</b>	<b>29.44</b>	-
<b>Total (A+B)</b>	<b>11.55</b>	<b>118.30</b>	<b>450.89</b>	<b>4.37</b>

#### RELATED PARTY TRANSACTIONS

For further information please refer “Annexure – IX - Related Party Transaction” under section “Restated Standalone Financial Information” beginning from page 198 of this Red Herring Prospectus.

#### QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the course of undertaking our business, we are exposed to the following risks arising from financial instruments, which include credit risk, liquidity risk and market risk. Our primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on our financial performance.

##### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss. The potential activities where credit risks may arise include from cash and cash equivalents, security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits, and continuously

monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business.

### **Liquidity Risk**

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. Our financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have practiced financial diligence and syndicated adequate liquidity in all business scenarios.

### **Market Risk**

Market risk is the risk that results in changes in market prices, such as interest rates and equity prices, which will affect our income or the value of our holdings of financial instruments. Our operations result in us being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect our income and expenses, or our financial position and cash flows. The objective of our management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns.

## **EFFECT OF INFLATION**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## **INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:**

### **1. Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page 27 of the Red Herring Prospectus. To our knowledge, except as we have described in the Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page 27 in this Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### **4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and other economic factor.

### **5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. Increases in revenues are by and large linked to increase in volume of stock sold by our company.

### **6. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. Relevant Industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 112 of this Red Herring Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus. Our company is engaged in the services sector therefore this clause is not applicable.

**8. The extent to which business is seasonal.**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus and Business of our company is not seasonal.

**9. Any significant dependence on a single or few suppliers.**

Our Company is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola, LG and Micromax. We are also engaged in multi-brand retail selling of consumer durable electronics goods like Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

As we are in the engaged in the business of retail distribution of smart phones and other electrical accessories, substantial part of our consumer base consists of individual customers. To that extent, we are not dependent on any particular customer for slae of our products.

Top ten suppliers of our company for FY2023, FY 2022 and FY 2021 is provided in below-mentioned table

Suppliers	% contribution to total purchase			
	For the period ended September 30, 2023	For the Financial Year 2022-23	For the Financial Year 2021-22	For the Financial Year 2020-21
Top 1 Supplier	17.96%	18.12%	15.00%	36.68%
Top 3 Suppliers	43.39%	41.89%	35.63%	78.72%
Top 5 Suppliers	58.34%	59.28%	52.52%	99.09%
Top 10 Suppliers	78.30%	83.02%	79.55%	100.00%

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles “*Business Overview*” beginning on page 127 of this Red Herring Prospectus.



**CAPITALISATION STATEMENT**

**(₹ in Lakhs)**

Particulars	Pre-Issue	Post Issue*
	As At 30/09/2023	
<b>Debt :</b>		
Long Term Debt	7.00	7.00
Short Term Debt	499.57	499.57
<b>Total Debt</b>	<b>506.57</b>	<b>506.57</b>
<b>Shareholders' Funds</b>		
Equity Share Capital	735.00	[●]
Reserves and Surplus	190.48	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>925.48</b>	<b>[●]</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.01</b>	<b>[●]</b>
<b>Total Debt / Shareholders Fund</b>	<b>0.55</b>	<b>[●]</b>
* Assuming Full Allotment of IPO shares		

## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Red Herring Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess 1% of the net profits after tax of the Company for the most recent audited fiscal period whichever is lower; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at [www.fonebook.in](http://www.fonebook.in).*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

##### **1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax : NIL

Direct Tax:

**Pending Demands/ Defaults of TDS:**

As per details available on the TRACES an aggregate outstanding amount of **Rs. 31,146/-** from the on or before 2020-21 and 2023-24 is pending against M/s. FONEBOX RETAIL LIMITED (hereinafter referred to as the "Assessee") as default on account of short deduction and short payment of taxes, late deposit of fees and interest thereon. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax: NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER****1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability****Indirect Tax: NIL****Direct Tax:****AMITKUMAR GOPALBHAI PATEL (Promoter and Managing Director)****1. A.Y. 2020-21:**

As per details available on the website of the Income Tax Department Mr. Amitkumar Gopalbhai Patel (hereinafter referred to as the "Assessee") have been issued with a demand notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing document reference no. 2020202037030583794T dated March 11, 2021 raising a demand of ₹17,970/- in addition to interest of ₹ 56,086/- for A.Y. 2020-21. The assessee has disputed the demand.

**2. A.Y. 2019-20**

As per details available on the website of the Income Tax Department Mr. Amitkumar Gopalbhai Patel (hereinafter referred to as the "Assessee") have been issued with a demand notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing document reference no. 2019201937065174431T dated November 23, 2019 raising a demand of ₹5,930/- for A.Y. 2019-20. The assessee has disputed the demand.

**MANISHBHAI GIRISHBHAI PATEL (Promoter and Executive Director)****1. A.Y. 2019-20**

As per details available on the website of the Income Tax Department Mr. Manishbhai Girishbhai Patel (hereinafter referred to as the "Assessee") have been issued with a demand notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing document reference no. 2019201937098728281T dated January 23, 2020 raising a demand of ₹11,530/- in addition to an interest of ₹5060/- for A.Y. 2019-20.

The assessee has paid the outstanding demand and interest of ₹4370/- which was due on the date of payment, vide challan number K2323307327203 dated August 21, 2023. Post this additional interest of ₹5060/- has been calculated and the same is pending for payment

**JIGAR LALLUBHAI DESAI (Promoter)****1. A.Y. 2012-13**

As per details available on the website of the Income Tax Department Mr. Jigar Lallubhai Desai (hereinafter referred to as the “Assessee”) have been issued with a demand notice u/s. 143(3) of the Income Tax Act, 1961, bearing document reference no. 2013201210020739196T dated March 28, 2014 raising a demand of ₹17,920/- in addition to an interest of ₹8,234/- for A.Y. 2012-13 and the same has been disputed by the assessee. However as per the current status a demand of ₹8,234/- towards interest amount is pending for payment.

**2. A.Y. 2013-14**

As per details available on the website of the Income Tax Department Mr. Jigar Lallubhai Desai (hereinafter referred to as the “Assessee”) have been issued with a demand notice u/s. 143(3) of the Income Tax Act, 1961, bearing document reference no. 2015201310005552115T dated November 06, 20150 raising a demand of ₹30,460/- in addition to an interest of ₹28,576/- for A.Y. 2013-14 and the same is pending for payment and has been disputed by the assessee.

**3. M/s. Om Marketing (Partnership of Promoter)**

**Pending Demands/ Defaults of TDS:** As per details available on the TRACES an aggregate outstanding amount of ₹15,860/- is pending against M/s. Om Marketing (hereinafter referred to as the “Assessee”) on account of interest on late deposit and late filing fees for previous years. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR GROUP COMPANIES AND/ OR SUBSIDIARIES**

**A. LITIGATION AGAINST OUR GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

2) **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

3) **Disciplinary Actions by Authorities**

NIL

4) **Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax:

1. **M/s. Paradise Markcom Private Limited (Group Company)**

**A.Y. 2011-12**

As per details available on the website of the Income Tax Department M/s. Paradise Markcom Private Limited (hereinafter referred to as the “Assessee”) have been issued with a demand notice u/s. 143(3) of the Income Tax Act, 1961, bearing document reference no. 2013201110015276160C dated January 18, 2014 raising a demand of Rs. 20,650/- for A. Y. 2011-12 and the same is pending for payment and has been disputed by the assessee.

**Pending Demands/ Defaults of TDS:** As per details available on the TRACES an aggregate outstanding amount of Rs. 103,248/- is pending against M/s. Om Marketing (hereinafter referred to as the “Assessee”) as default on account of short deductions, late payment interest and late filing fees of returns from Previous years till F. Y. 2023-24. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

2. **M/s. Phonewale Limited (Group Company)**


**Pending Demands/ Defaults of TDS:** As per details available on the TRACES an aggregate outstanding amount of **Rs. 161,888/-** from the on or before 2023-24 is pending against M/s. PHONEWALE LIMITED (hereinafter referred to as the “Assessee”) as default on account of short deduction and short payment of taxes, late deposit of fees and interest thereon. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable

1) **Other Pending Litigation based on Materiality Policy of our Company**

**Trinity Infocom Private Limited (hereinafter referred to as the Plaintiff) V/s. M/s. Phonewale (hereinafter referred to as the Defendant)**

**(Trademark Suit bearing fling and registration number 1/2020 dated 24.09.2020 filed and pending with the Hon’ble District Court of Patan, Patan)**

M/s. Trinity Infocom Private Limited, the plaintiff herein is a Company registered under the provisions of the Companies Act, 1956 is a Company engaged into the business IT products and have launched a website with name [www.phonewale.com](http://www.phonewale.com) (aforementioned website) on June 04, 2018 and also applied for the registration of the word “PHONEWALE”.as trademark in its favour vide application dated June 04, 2018.

The defendant herein was a partnership firm (now converted into a Company M/s. Phonewale Limited) engaged into the business of IT products and have applied for registration in its favour the trademark  (Phonewale) vide application bearing number 3610103 dated August 10, 2017 thus being the prior user of the word “Phonewale”.

As alleged, the defendant herein having found the registration of the aforesaid website in the name of the plaintiff herein served a notice to the plaintiff through M/s. Digital Ocean (the webhoster of the aforesaid website), requiring the plaintiff to withdraw all its droplets infringing any trademarks i.e. (Phonewale), failure to which would result in end of terms of service with M/s. Digital Ocean.

Aggrieved with the notice served by M/s. Digital Ocean, the plaintiff herein preferred the instant petition claiming that the word Phonewale is a generic word and any person cannot claim its protection in its favour unless such word becomes well known by way of its operations and business and hence praying the court to issue injunction against the defendant herein from issuing threat notice to the plaintiff herein through Digital Ocean, against the usage of the trademark “Phonewale” and to declare that the word “PHONEWALE” (plaintiffs trademark) is not identical and/ or deceptively similar to the trade mark of the defendant, among others.

The Matter is pending under hearing before the concerned court of jurisdiction

## **B. LITIGATION FILED BY OUR GROUP COMPANIES**

### **1. Litigation involving Criminal Laws**

NIL

### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

### **3. Disciplinary Actions by Authorities**

NIL

### **4. Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax: NIL

### **5. Other Pending Litigation based on Materiality Policy of our Company**

NIL

## **DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

## **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Red Herring Prospectus in the

case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Red Herring Prospectus.

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

**PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

**NON-PAYMENT OF STATUTORY DUES**

As on the date of the Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

**MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Red Herring Prospectus.

**DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

**DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "*Management Discussion and Analysis of Financial Position and Results of Operations*" beginning on page 200 there have been no material developments that have occurred after the Last Balance Sheet Date.

**OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Details of Material dues to the creditors as per the Materiality Policy of our company is disclosed on the website of the company i.e., [www.fonebook.in](http://www.fonebook.in)

Below are the details of the Creditors where outstanding amount as on September 30, 2023:



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Name	Count	Balance as on September 30, 2023 (Amount in ₹ Lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	29	344.84
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	374	1,211.26

## GOVERNMENT APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated February 05, 2021 from the Registrar of Companies, Central Registration Centre, under the Companies Act, 2013 as "Fonebox Retail Private Limited" (Company registration no. U51909GJ2021PTC119941)
2. Fresh Certificate of Incorporation dated July 12, 2023 from the Registrar of Companies, Ahmedabad, under the Companies Act, 2013 as "Fonebox Retail Private Limited" to "Fonebox Retail Limited" (Company registration no. U51909GJ2021PLC119941)

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

#### *Corporate Approvals*

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on September 05, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated September 07, 2023 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated January 17, 2024 authorized our Company to take necessary action for filing the Red Herring Prospectus respectively with Emerge Platform of NSE (NSE Emerge).

#### *Approvals from Stock Exchange*

1. Our Company has received in- principle listing approval from the NSE EMERGE dated January 11, 2024 for listing of Equity Shares issued pursuant to the issue.

#### *Other Approvals*

1. The Company has entered into a tripartite agreement dated June 14, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated June 08, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.

### **APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:**

**Tax Related Approvals**

Sr. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	-----	AAECF4269P	Income Tax Department	February 03, 2021	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	M/s. Fonebox Retail Limited, 702-703, Satyam 64, Opp Gujarat High Court, Nr Red Carpet, S G Road-380061, Gujarat	AHMF01953A	Income Tax Department	February 03, 2021	Valid till Cancelled
3.	Professions Tax Payer Registration certificate (P.T.E.C.)	M/s. Fonebox Retail Private Limited, 702 Satyam 64, Opp Sola High Court, S G Road-380060, Gujarat	PEC010662004604	Professional Tax Department	September 12, 2023	Valid till Cancelled
4.	Professions Tax Payer Registration certificate (P.T.R.C.)	M/s. Fonebox Retail Private Limited, 702 Satyam 64, Opp Sola High Court, S G Road-380060, Gujarat	PRC010662000740	Professional Tax Department	September 12, 2023	Valid till Cancelled
5.	GST Registration Certificate (Gujarat)	M/S Fonebox Retail Limited 1004-1004, Satyam 64, Opp. High Court, Nr. Red Carpet, S G High Way, Ahmedabad, Ahmedabad-380061, Gujarat	24AAECF4269P1Z5	Goods and Services Tax department	February 12, 2021	Valid till Cancelled

**Business Related Approvals:**

Sr. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	LEI Certificate	M/S Fonebox Retail Limited 702/703, 7 <sup>th</sup> Floor, Satyam 64 Opp. Gujarat High Court, S G Road, Ahmedabad-380061, Gujarat	U51909GJ2021PTC119941	Legal Entity Identifier India Limited	December 14, 2022	December 14, 2024



**Registrations related to Labour Laws:**

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Udhyam Registration Certificate	M/s. Fonebox Retail Limited, 702-703, Satyam 64, Opp Gujarat High Court, Nr Red	UDYAM-GJ-01-0177440	Ministry of Micro Small & Medium Enterprises	July 04, 2022	Valid till Cancelled

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
		Carpet, S G Road-380061, Gujarat				
2.	Registration under Employee State Insurance Act (ESIC)	M/s. Fonebox Retail Limited, 702-703, Satyam 64, Opp Gujarat High Court, Nr Red Carpet, S G Road-380061, Gujarat	37001216850000999	Employees' State Insurance Corporation,	February 17, 2023	Valid till Cancelled
3.	Registration under the Employees Provident fund (EPF)	M/s. Fonebox Retail Limited, 702-703, Satyam 64, Opp Gujarat High Court, Nr Red Carpet, S G Road-380061, Gujarat	GJAHD2295818000	Employees Provident fund	February 17, 2023	Valid till Cancelled

### Intellectual Property

#### Trademarks registered/Objected/Abandoned in the name of our company

Sr. No	Brand Name/Logo Trademark	Class	Registration number	Owner	Date of Registration/ Application	Status	Validity
1.	FONEBOOK	35	5448783	Fonebox Retail Private Limited	May 14, 2022	Registered	Valid till May 14, 2032
2.		35	4897910	Fonebox Retail Private Limited	March 10, 2021	Registered	Valid till March 10, 2031
3.		35	5448792	Fonebox Retail Private Limited	May 14, 2022	Registered	Valid till May 14, 2032
4.		9	4387467	Fonebox Retail Private Limited	December 24, 2019	Registered	Valid till December 24, 2029
5.		9	4387471	Fonebox Retail Private Limited	December 24, 2019	Registered	Valid till December 24, 2029
6.		9	4379770	Fonebox Retail Private Limited	December 17, 2019	Registered	Valid till December 17, 2029
7.		35	1964005	Acquired from Mr. Rishit Bharat Shah on behalf of M/s. Celution Corporation, vide assignment	May 12, 2010	Registered	Valid till May 12, 2030

Sr. No	Brand Name/Logo Trademark	Class	Registration number	Owner	Date of Registration/ Application	Status	Validity
				agreement dated June 03, 2021 *			
8.	FONEBOX	35	4897943	Fonebox Retail Private Limited	March 10, 2021	Registered	Valid till March 10, 2031

\* Trademark for My Mobile has been acquired through Deed of Assignment between M/s. Celution Corporation (“The Assignor”) and the company (“the Assignee”) dated June 03, 2021. Application for assignment of the same has been made to the Registrar of Trademark on July 28, 2021. The same is under process of assignment.

**Domain Name:**

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.fonebook.in/">https://www.fonebook.in/</a>	Dreamscape Networks International Pte Ltd Registrar IANA ID: 1219	Phonewale ID: D18FBB82309 F24B429AD1 4CC141D733 CF-IN	March 04, 2022	March 04, 2024

**Registrations related to Shop Acts for different premises:**

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
1.	Shadab Bhai	Bharuch	Shop.No.1 Ground Floor, Opp. SBI Bank, Chota Bazar, Ankleshwar, Bharuch - 393001.	Fonebook-Ankleshwar	Fonebook	Franchisee	044INT202300036
2.	Washim Bhai	Ahmedabad.	15/16,Gf,Royal Tower, Near. Chhipa CoMy Mobileunity Hall, Astodia, Gollimda Road, Ahmedabad - 380001.	Fonebook-Astodia	Fonebook	Franchisee	PEC010108002285
3.	Jigarbhai	Bavla	Shop.No.23, Ground Floor, Zaveri Market, Bavla - 382220.	Fonebook-Bavla	Fonebook	Franchisee	012INT202300015
4.	Zain Bhai	Bhavnagar	Shop.No.10/A And 10/B, Ground Floor, Sun Corporate Building, Opp. Madhav Darshan, Vaghwadi, Bhavnagar - 364001.	Fonebook-Bhavnagar	Fonebook	Franchisee	005INT202300610
5.	Kartikbhai	Bhiloda	Shop. No B/Ff/8, Near. Sagar Plaza, Near Hathimati, Bridge, Bhiloda Idar Road, Bhiloda, Sabarkantha, Bhiloda - 383245.	Fonebook-Bhiloda	Fonebook	Franchisee	PE05020090618
6.	Nainesh Bhai	Ahmedabad	Gf-5, Aaradhya, Nr. Chitvan Society, Bopal Village Taluka Daskroi, District Ahmedabad, Ahmedabad - 380058.	Fonebook-Bopal	Fonebook	Franchisee	A20231006-10148-400001-0002
7.	Pavan Bhai	Ahmedabad	A/1,Anand Nagar Society, Gota Road, Chandlodiya, Ahmedabad - 382481.	Fonebook-Chandlodiya	Fonebook	Franchisee	PEC010622001588
8.	Pavan Bhai	Ahmedabad	A/1,Anand Nagar Society, Gota Road, Chandlodiya, Ahmedabad - 382481	Fonebook-Chandlodiya I	Fonebook	Franchisee	PEC010622001588
9.	Mayur Bhai	Vadodara	Shop.No.4,Nagar Panchayat Shopping Centre, Behind Bus Stop, Chhani, Vadodara - 391740.	Fonebook-Chhani	Fonebook	Franchisee	PEC020151563
10.	Islam Pathan	Ahmedabad	Shop No 6, Farooq AlimuhaMy Mobilead House, Shakti Soc. Group-A, Gate-4,Danilimda Cross Road, Danilimda, Ahmedabad - 380028.	Fonebook-Danilimda	Fonebook	Franchisee	PEC010306002726
11.	Danish Ansari	Ahmedabad	1945, Magan Kumar's Chawl, Nr. Kamdar Medan, Gomtipur, Ahmedabad- 380021.	Fonebook-Gomtipur	Fonebook	Franchisee	PEC010404001462
12.	Aashif Bhai	Vadodara	C-15, Radhakrishna Society, Refinery Road, Gorwa, Vadodara - 390016.	Fonebook-Gorwa	Fonebook	Franchisee	I-B-10-0001259
13.	Sagar Bhai	Vadodara	C-89,Ground Floor, Sara Nagar Society, Opp. Yash Complex, Gotri, Vadodara - 390021.	Fonebook-Gotri	Fonebook	Franchisee	PEC020990562
14.	Yuvraj Bhai	Mahesana	5095 C J Complex, Goziria Char Rasta, Goziria GIDC, Mahesana - 384470.	Fonebook-Goziria	Fonebook	Franchisee	0404035236

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
15.	Raj Bhai	Ahmedabad	Shop.No.7,8, Shivangi Apartment, Door Darshan, Tower Road,Near.Vaibhav Laxmi Mandir, Thaltej, Ahmedabad - 380059.	Fonebook-Gurukul	Fonebook	Franchisee	PEC010678098013
16.	Sachin Bhai	Vadodara	Ground Floor, Shop.No.2, Dinkey's Avenue, Hari Nagar Panch Rasta, Gotri, Vadodara - 390021.	Fonebook-Harinagar	Fonebook	Franchisee	A-17/4966
17.	Rakesh Bhai	Sabarkantha	101,Jhanvi Tower, Opp. Idar Bus Stop, Idar, Sabarkantha - 383430.	Fonebook-Idar	Fonebook	Franchisee	SI139000959
18.	Amrurbhai	Ahmedabad	Shop.No.7, Jivan Estate, Near Pancham Mall, Nikol Road, Ahmedabad - 382350.	Fonebook-Jivan Vadi	Fonebook	Franchisee	PEC010426001745
19.	Rishitbhai	Kadi	74 ,Sardar Shopping Centre, Station Road Kadi, Kadi - 382715.	Fonebook-Kadi	Fonebook	Franchisee	PEN063003427
20.	Prembhai	Kapadwanj	Shop No : - 1, Sabir Ice Factory Opp. Town Hall, Kapadwanj, Village Kapadwanj, Kapadwanj - 387620.	Fonebook-Kapadwanj	Fonebook	Franchisee	085INT202300197
21.	Balwant Bhai	Vadodara	D-22, Sundarvan Society, Opp. Sai Baba Mandir, Paani Ni Tanki Road, Karelibaug, Vadodara - 390018.	Fonebook-Karelibaug	Fonebook	Franchisee	I-B-08-0000050
22.	Krunal Bhai	Vadodara - 391240.	Shop.No.2,Old APMC Nava Bazar, Opp. Shak Market, Karjan, Vadodara - 391240.	Fonebook-Karjan	Fonebook	Franchisee	PEN0580000829
23.	Harikrishanbhai	Kheda	A-3, Ambica Complex, Near S T Stand, Kheda, Kheda - 387411.	Fonebook-Kheda	Fonebook	Franchisee	089INT202300069
24.	Rits Bhai	Sabarkantha - 383255.	Shop. No. 4/1/7, Parbadi Chowk, Khedbrahma, Sabarkantha - 383255.	Fonebook-Khedbrahma	Fonebook	Franchisee	2076
25.	Chetan Bhai	Ahmedabad - 380008.	Shop.No.10,Municipal Market, Khokhra Circle, Nr. Bank Of Baroda, Khokhra, Ahmedabad - 380008.	Fonebook-Khokhra	Fonebook	Franchisee	PII/BGF/03/0000887
26.	Jitendrabhai	Ahmedabad	0,Shop Number-6, Shreenath Residency, Opp. Rajendra Residency, Aslali Highway, Narol, Ahmedabad - 382405.	Fonebook-Lambha	Fonebook	Franchisee	PEC010320085833
27.	Sandip Patel	Ahmedabad	Ground Floor 6/1, Rajiv Complex, Opp. Maninagar Police Station, Rambaug, Maninagar, Ahmedabad - 380008.	Fonebook-Maninagar Man-05	Fonebook	Own	PII/JWHR/2900005/0235682
28.	Vijay Bhai	Vadodara	Shop.No.18 Guruom Shopping, Manjusar, Savli Pilol GIDC, Savli, Vadodara - 391775.	Fonebook-Manjusar	Fonebook	Franchisee	Admission Letter Dated 25/08/2022
29.	Jitu Bhai	Morbi	Ground Floor, Shop.No.8. Geeta Shopping Center, Bapa Sitaram, Chowk, Ravapar Road, Old Morbi, Morbi - 363641.	Fonebook-Morbi	Fonebook	Franchisee	128INT202300019

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
30.	Nilesh Bhai	Chiloda	Shop.No-3, Ground Floor, Akshar Complex, Mota Chiloda, Gandhinagar - 382355.	Fonebook-Mota Chiloda	Fonebook	Franchisee	Admission Letter Dated 25/10/2023
31.	Navin Bhai	Ahmedabad	A37/A38, Galaxy Avenu, Near Galaxy Cinema, Opp. HDFC Bank, Naroda., Ahmedabad - 382330.	Fonebook-Naroda	Fonebook	Franchisee	A20230918-4000461-400001-0006
32.	Dipesh Bhai	Ahmedabad	Shop.12a, Hiradhan Halycon, Behind Satymev Hospital, Chandkheda, Ahmedabad - 382424.	Fonebook-New Chandkheda	Fonebook	Franchisee	A20230818-4000462-400001-0001
33.	Bhavesh Bhai	Ahmedabad	Shop.No.1 Sun Residency, Near. Nisan Residency, Anand Party Plot Road, New Ranip, Ahmedabad - 382470.	Fonebook-New Ranip	Fonebook	Franchisee	A20231020-4000462-400001-0004
34.	Bheru Bhai	Ahmedabad	Shop.No.20 Rhythm Plaza, Amar Jawan Circle, Nikol, Ahmedabad - 382350.	Fonebook-Nikol2	Fonebook	Franchisee	A20231104-4000513-400001-0004
35.	Rohan	Vadodara	D-19 G-Floor, Taskand Soc, Nizampura, Vadodara, Vadodara - 390024.	Fonebook-Nizampura	Fonebook	Franchisee	A-10/699
36.	Dineshbhai	Ahmedabad	11, Shankar Shopping Center, Opp. Kwick Metal, Odhav, Ahmedabad - 382415.	Fonebook-Odhav	Fonebook	Franchisee	PEC014280824
37.	Amit Bhai	Vadodara	Shop No.101/7 First Floor Akshar Plaza, Padra, Vadodara - 391440.	Fonebook-Padra	Fonebook	Franchisee	PEN057002353
38.	Prakash	Ahmedabad	Nilkanth Avenue 23, Nr. Kailsh Estate, Odhav Ring Road, Ahmedabad - 382415.	Fonebook-Palm Hotel	Fonebook	Franchisee	A20231103-4000513-400001-0002
39.	Ismail Bhai	Sabarkantha	Shop. No. 9 And 10, Chistiya Complex, Aproach Road, Prantij, Sabarkantha - 383205.	Fonebook-Prantij	Fonebook	Franchisee	S2255
40.	Manish Bhai	Sanand	29, Sattadhar Society, Opp. Somnath Bus Stand, Sanand, Sanand - 382110.	Fonebook-Sanand	Fonebook	Franchisee	011INT202300102
41.	Afzal Bhai	Amreli	0, Mahuva Road, Opp. Balmandir Complex, Savarkundla, Amreli - 364515.	Fonebook-Savarkundla	Fonebook	Franchisee	PEN0970002375
42.	Ranjitsinh Bhai	Vadodara	Shop.No.6, Tower A, Adhik Plaza, Savli, Vadodara - 391770.	Fonebook-Savli	Fonebook	Franchisee	165INT202300035
43.	Omprakash Bhai	Ahmedabad	3 Kanak Kala, Opposite Rahul Tower, Anand Nagar Road, Satellite, Ahmedabad - 380015.	Fonebook-Seema Hall	Fonebook	Own	PEC010727001573



Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
44.	Santosh Bhai	Ahmedabad	F-12/13, Suvas Complex, Above ICICI Bank, Nr.Unnati Petrol Pump,Shahibaug, Ahmedabad - 380004.	Fonebook-Shahibaug	Fonebook	Franchisee	PEC010141076988
45.	Dhruvin Bhai	Ahmedabad	Shop No A-147, Popular Plaza CoMy Mobileercial Complex, 132 Feet Circular Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015.	Fonebook-Shyamal	Fonebook	Franchisee	A20231019-10148-40001-0005
46.	Kuldeep Bhai	Ahmedabad - 380027.	Ground Floor, Shop.No.5,Kaveri Complex, Opp. Subhash Bridge, Opp. Rtokacheri. RTO Circle, Ahmedabad - 380027.	Fonebook-Subhashbridge RTO	Fonebook	Franchisee	A20231017-4000462-400001-0006
47.	Krunal Bhai	Vadodara	Shop.No.11/12/13, Sarad Nagar, Shopping Center, Tarsali, Vadodara - 390009.	Fonebook-Tarsali	Fonebook	Franchisee	A-17/4849
48.	Harish Kumawat	Ahmedabad	Shop No 31,32, Swaminarayan Park-1, Narayan Chawk, Opp. Narayan Farm, Vastral, Ahmedabad - 382418.	Fonebook-Vastral	Fonebook	Franchisee	A20231026-4000513-400001-0001
49.	Devang Patel	Ahmedabad	0, Amrapali Co. Opp. Housing Soc. Ltd, Ajay Tenament Number 5 Road, Vastral, Ahmedabad - 382418.	Fonebook-Vastral 3	Fonebook	Franchisee	PEC010434002169
50.	Pratikbhai	Vijapur	6/A, Parth Complex, Opp TB Hospital, Vijapur Mehsana, Vijapur - 382870.	Fonebook-Vijapur	Fonebook	Franchisee	153/84
51.	Himal Bhai	Viramgam	1st Floor, Golwadi Gate Bahar, Viramgam, Viramgam - 380022.	Fonebook-Viramgam	Fonebook	Franchisee	7376200046
52.	Krunalbhai	Visnagar	17- A , 17- B , Nanak Plaza Market, Bus Station Road, Visnagar, Mahesana - 384315.	Fonebook-Visnagar	Fonebook	Franchisee	102INT202300795
53.	J P Bhai	Vadodara	Gf 13,14, Abhilasha Squire, New Sama Road, Sama Gaon, Vadodara - 390024.	Fonebox-Abhilasha	Fonebox	Franchisee	A-17/3120
54.	Parag Vaja	Surat	Shop. No.1 , Ankur Shopping Center-3, Near. Sardar Bridge, Surat - 395009.	Fonebox-Adajan	Fonebox	Franchisee	2022072600089
55.	Kamlesh Bhai	Vadodara	781, Nr. Jagdamba Dairy, Dashrath, Vadodara - 391740.	Fonebox-Dashrath	Fonebox	Franchisee	316/2023
56.	Narendra Bhai	Vadodara	Ground Floor, Gf-6, Serene Edifice, 30 Meter Harni-Sama Link Road, Harni, Vadodara - 390022.	Fonebox-Harni	Fonebox	Franchisee	PEC020391421
57.	Nilesh Bhai	Kalol	Shop. No. G-11, City Mall-2, Navjivan Mill Compound, Kalol, Gandhinagar - 382721.	Fonebox-Kalol	Fonebox	Franchisee	058INT202200266
58.	Kamleshbhai	Vadodara	0,Opp Sevasadan, Nava Bazar Karjan, Nr. Hathibaug, Karjan, Vadodara - 391240.	Fonebox-Karjan 2	Fonebox	Franchisee	163INT202300034
59.	Pappubhai	Vadodara	B/5 Rushikesh Society, Near Mangal Murti Complex, Opp Panasonic Makarpura, Vadodara - 390024.	Fonebox-Makarpura	Fonebox	Franchisee	A-17/3468

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
60.	Himanshu Bhai	Ahmedabad	Shop.No.17,18 Sangni Platinum, Opp. Shalin Heights, Near. Akruiti Township, Aslali Highway, Narol, Ahmedabad - 382405.	Fonebox-Narol	Fonebox	Franchisee	PEC01-0320002869
61.	Meet Bhai	Ahmedabad	Shop No.8, Ground Floor, Royal Regency, Shree Ram Chowk, Nava Naroda, Ahmedabad - 382345.	Fonebox-New Naroda	Fonebox	Franchisee	PEC010232003856
62.	Narendra Bhai	Vadodara	Gf Thirthan Avenue, Opp Devdeep Complex, Nizampura, Vadodara - 390002.	Fonebox-Nizampura 2	Fonebox	Franchisee	A-17/3119
63.	Dilip Bhai	Sabarkantha	City Center, Bhankhariya At & Po, Prantij, Sabarkantha - 383205.	Fonebox-Prantij	Fonebox	Franchisee	S 2258
64.	Kartik Bhai	Vadodara	Shop.No.34, Marble Arch, Race Course Road, Vadodara - 390007.	Fonebox-Race Course	Fonebox	Franchisee	A-17/4980
65.	Sohailbhai	Ahmedabad	404/10 Ganjifrak Mil Ni Chali, Rakhiyal Road,Rakhial, Ahmedabad - 380021.	Fonebox-Rakhiyal	Fonebox	Franchisee	PEC010404001462
66.	Jitu Bhai	Vadodara	Shop No. 3 Kalpu Complex, Near GIPCL Circle, Sama Road, Vadodara - 390008.	Fonebox-Sama	Fonebox	Franchisee	PEC020391422
67.	Hitesh Bhai	Vadodara	Ff/10 Labh Business Hub, Beside Jay Narayan Society, Karodia Road, Gorwa, Vadodara, Vadodara - 390016.	My Mobile-Gorwa	My Mobile	Franchisee	A-17/2860
68.	Vatshal Bhai	Junagadh	Gf-21-22, Platinum Complex, Jayshree Road, Junagadh Agricultural University, Junagadh - 362001.	My Mobile-Junagadh	My Mobile	Franchisee	007INT202300175
69.	Aashif Bhai	Vadodara	A-Gf-19,White Pearl, Jakatnaka, Padra, Vadodara, Vadodara - 391440.	My Mobile-Padra	My Mobile	Franchisee	162INT202300225
70.	Mayur Bhai	Surat	Shop.No.10, Behind Dev Darshan, Society Nehar, Palanpur Gaam, Surat - 395009.	My Mobile-Palanpor	My Mobile	Franchisee	PEC03WZ00031857
71.	Nagjibhai	Ahmedabad	Shop.No.9,Vihal Shopping Center, India Colony Road,Thakkarbapa Nagar, Ahmedabad - 382350.	My Mobile-Thakkarbapanagar	My Mobile	Franchisee	PEC010217002534
72.	Vishnu Bhai	Gandhinagar	Shop.No.406, Devkarna Na Muvda Mukhya Bazar, Gam Panchayat, Devkaran Na Muvada, Dehgam, Gandhinagar - 382305.	Fonebox-Devkaran Muvda	Fonebox	Franchisee	Application number dated 27/10/2023
73.	Rajni Bhai	Gandhinagar	Shop No -7, President Complex, B/H Vijay Petrol Pump, Opp. Shalin Complex, Gandhinagar - 382010.	My Mobile-Gnr	My Mobile	Franchisee	008INT202300356
74.	Anil Bhai	Junagadh	11, Ground Floor, Haresh Talkies, Kalva Chowk, Junagadh - 362001.	Fonebox-Junagadh	Fonebox	Franchisee	007INT202300206

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
75.	Mahesh Bhai	Kheda	Shop.No.16, Navin Market, J.B. Mehta Hospital Road, Kapadvanj, Kheda - 387620.	My Mobile-Kapadvanj	My Mobile	Franchisee	085INT202200150
76.	Gautam Patel	Surat	Shop.No.3, Ground Floor, Pramukh Darshan Appartment, Nr. Pipal Char Rasta, Katargm, Surat - 395004.	Fonebox-Katargam	Fonebox	Franchisee	PEC03NZ00050897
77.	Tirth Bhai	Kheda	G-3,Sagar Complex, Kathlal Bypass, Kathlal, Kheda - 387630.	Fonebox-Kathlal	Fonebox	Franchisee	091INT202300027
78.	Malik Bhai	Kheda	Shop No 4, Raja Shopping Center, Kheda - 387411.	Fonebox-Kheda	Fonebox	Franchisee	222
79.	Niraj Bhai	Kheda	Shop.No.9 And 15, Siddhi Vinayak Complex, Station Road, Mahemdabad, Kheda - 387130.	Fonebox-Mahemdabad	Fonebox	Franchisee	541
80.	Ezazbhai	Bhavnagar	Shop.No.25, Ananddhan Complex, Near. New S.T.Bus Stand, Mahuva, Bhavnagar - 364290.	Fonebox-Mahuva	Fonebox	Franchisee	048INT202300005
81.	Kunjai Bhai	Arvalli	Shop.No.218, Bajpai Shoping, Modasa Bypass, Arvalli - 383315.	Fonebox-Modasa	Fonebox	Franchisee	PEN690004543
82.	Rajni Bhai	Ahmedabad	A-35, Galaxy Avenue Co. Op. Ho. So. Ltd., Near Galaxy Cinema, Naroda, Ahmedabad - 382330.	My Mobile-Naroda	My Mobile	Franchisee	PEC010230002941
83.	Dayal Bhai	Vadodara	Sb-32, National Plaza, R.C.Dutt Road, Alkapuri, Vadodara - 390007.	My Mobile-Baroda	My Mobile	Franchisee	1478
84.	Salman Bhai	Kheda	Shop.No.16, Himalaya Tower, Nr. Hanumanji Temple, Kapadvanj, Kheda - 387620.	Fonebox-Kapadvanj	Fonebox	Franchisee	085INT202300196
85.	Sunil Bhai	Porbandar	0, Nr.Swaminarayan Temple, Opp.Hotel, Indrapasth,S T Road, Porbandar - 360575.	Fonebox-Porbandar	Fonebox	Franchisee	124INT202300265
86.	Mayur Bhai	Becharaji	BG-3, Prahlad Bazar, Opposite Umia Wadi, Shankhalpur Road,Mehsana, taluka Becharaji Gujarat - 384210	Fonebook-Bahuchraji	Fonebook	Franchisee	Admission Letter Dated 07/11/2023
87.	Alkeshbhai	Surat	SHOP.NO.65, LAXMI MARKET, OPP.BUS STAND, MANDVI, SURAT- 394160.	Fonebook-Mandvi	Fonebook	Franchisee	PEN094001369
88.	Sunakbhai	Modasa	SHOP.NO.G-13, SHREE RAM CITY CENTER, MODASA VILLAGE, ARVALI 383315.	Fonebook-Modasa	Fonebook	Franchisee	138INT202300696
89.	Kirit Bhai	Sabarkantha	SHOP NO. C-GF - 17,18 TALOD GAM TALUKA TALOD DIST. SABARKANTHA GUJARAT 383215	Fonebook-Talod	Fonebook	Franchisee	143INT202300262
90.	Hardip Bhai	Ahmedabad	GF-14, Platinum Arcade, Near Ghodagadi Stand, Sanand, Ahmedabad, Gujarat 382110	Fonebox-Sanand	Fonebox	Franchisee	011INT202300101

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchise	Gumasta
91.	Parth Bhai	Sabarkantha	SHOP.NO.203, FIRST FLOOR, TALOD VILLAGE, SABARKANTHA GUJARAT 383215	Fonebox-Talod	Fonebox	Franchisee	143INT202300265
92.	Usman Shaikh	Ahmedabad	116,117 Prarthana Complex, Opp. Dinesh Chamber, Nr. Kakadiya Hospital, Bapunagar, Ahmedabad - 380024.	Fonebook-Bapunagar2	Fonebook	Own	PEC010412001988
93.	Zulqarnain Saiyad	Surat	Block Number 149, Plot No. 2198, Harsh Bunglows, Om Nagar, Dindoli, Surat - 394210.	Fonebook-Dindoli	Fonebook	Own	2023100700065
94.	Nishit Patel	Gandhinagar	G-03, Plot No.231, Haveli Arcade, Sector No.11, Gandhinagar, Gandhinagar - 382010.	Fonebook-Gandhinagar11	Fonebook	Own	PEC080006872
95.	Abdul Shaikh	Ahmedabad	3/B, Isanpur Opp., Radhakrishna Society, Isanpur, Ahmedabad - 382443.	Fonebook-Isanpur	Fonebook	Own	PEC010323001114
96.	Jagdish Chauhan	Ahmedabad	7, Dev Arcade, Iscon Circle, S G Road, Ahmedabad - 380015.	Fonebook-Iscon	Fonebook	Own	PEC010750086740
97.	Prashant Madan	Ahmedabad	Shop No.1,2,3,4, Hansraj Complex, Krishnabaug Char Rasta, Maninagar, Ahmedabad - 380008.	Fonebook-Maninagar Man-04	Fonebook	Own	PEC010311002337
98.	Urvish Chauhan	Ahmedabad	Shop No. A/13, Galaxy Avenue Complex, Near Galaxy Cinema, Naroda, Ahmedabad - 382330.	Fonebook-Naroda 2	Fonebook	Own	PEC010230002934
99.	Siddharth Trivedi	Ahmedabad	Shop.No.28,29, Poojan Complex, Nr. Rajhans Cinema, Kanj Mall Cross Road, Nikol, Ahmedabad - 382350.	Fonebook-Nikol	Fonebook	Own	PEC010448077119
100.	Jayesh Makwana	Banaskantha	18,19, Ground Floor, Tower-A, New Bus Depot, Palanpur, Banaskantha - 385001.	Fonebook-Palanpur2	Fonebook	Own	BO37PTE2324004650
101.	Adarsh Rajput	Surat	Shop.No.16 Ground Floor, Gopal Nagar, Shopping Center, Near. Piyush Point, Pandesara, Surat - 395002.	Fonebook-Pandesara	Fonebook	Own	2023110300029
102.	Yash Rupani	Rajkot	Keshav Arcade, Shop.No. 3 & 4, Pedak Road,Ranchhodnagar-2 Pakor, Rajkot - 360003.	Fonebook-Pedak Road	Fonebook	Own	2023-2024/SR/000197
103.	Himansu Algotar	Ahmedabad	279/7, Parmanand Patel Ni Chali, Opp. Gujarat Radio, Rakhial, Ahmedabad - 380021.	Fonebook-Rakhial	Fonebook	Own	PEC010256090155
104.	Sunny Mali	Surat	Block.No.1, Ground Floor, Ramnagar Colony, Rander, Surat - 395009.	Fonebook-Rander 2 Srt	Fonebook	Own	2023082600031
105.	Alpesh Randadiya	Surat	Shop No 2/3 Dreamland Shopping, Nr. Takshashila Arcade Sarthana Jakatnaka Kamrej Road, Surat - 395006.	Fonebook-Sarthana Srt	Fonebook	Own	2023100900037

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchise	Gumasta
106.	Tushar Rawal	Ahmedabad	Shop No.15, Sardar Patel Shopping Center, Shastrinagar, Naranpura, Ahmedabad - 380013.	Fonebook-Shastrinagar	Fonebook	Own	PEC010524090398
107.	Santosh Singh	Ahmedabad	UI -02, Maruti Towers Opp. Shivranjani BRTS Bus Stop, Shivranjani Junction, Satellite, Ahmedabad - 380015.	Fonebook-Shivranjani	Fonebook	Own	PEC010748098471
108.	Imran Shaikh	Valsad	Shop. No. 3 & 4 Netaji Shubhash Chandra Bose Shopping Center, Stadium Road, Valsad - 396001	Fonebook-Valsad	Fonebook	Own	167INT202300520
109.	Sahil Srivastav	Ahmedabad	Shop.No.61,62, Ground Floor, Satva Icon, Metro Junction, Vastral Road, S.P.Ring Road, Ahmedabad - 382418.	Fonebook-Vastral 2	Fonebook	Own	PEC010435003197
110.	Pratik Popat	Surat	Ground Floor, Plot No 20, Pandol Ind Society, Ved Road, Surat - 395004.	Fonebook-Ved Road	Fonebook	Own	2023082600027
111.	Raghvendra Masani	d	1/4 Jay Jagannath Colony, B/H GIDC, Ghanshyamnagar Road, Odhav, Ahmedabad - 382415.	Fonebook-Viratnagar	Fonebook	Own	PEC010412001988
112.	Mayank Gupta	Ahmedabad	Survey No. 00203-2, 8201-1,94-2, Jai Raghunath Society, Shivam Vidhayalaya, Krushnanagar, Saijpur Bogha, Ahmedabad - 382346.	Fonebook-Krushnanagar	Fonebook	Own	PEC010216086139
113.	Parth Desai	Ahmedabad	702-703 Satyam 64, Opp. Gujarat High Court, S.G Highway, Ahmedabad - 380060.	Head Office	Fonebox	Own	PEC010662004604
114.	Vraj Patel	Ahmedabad	701, Satyam 64, Opp. Gujarat High Court, S.G Highway, Ahmedabad - 380061.	Ho-Acc Ahmedabad	Fonebox	Own	PEC010662004604
115.	Afroz Ghori	Surat	Building No. 2, Shop No 4, Ankur Society, Adajan, Surat - 395009.	Fonebook-Adajan	Fonebook	Own	2023100300070
116.	Sohil Shaikh	Surat	Shop No -29, Gr Floor, Rajhans Olympiya Complex, Bhatar Road Nr Naher, Surat, Gujarat, 395017	Fonebook - Bhatar	Fonebook	Own	2023102100048
117.	Sanket Mahant	Surat	Shop No 1/2, Oasis Corner, Dhanmora Char Rasta, Singanpor Road, Surat - 395004.	Fonebook - Katargam	Fonebook	Own	2023082600023
118.	Diven Tailor	Surat	Shop No B/9, Gurukripa Society, Lp Savani Road, Adajan, Surat - 395009.	Fonebook - Lp Savani	Fonebook	Own	2023082600029
119.	Kiran Panchal	Surat	Shop No 135,136,136 Poddar Arcade, Opp Khand Bazar Varachha Road, Surat - 395006.	Fonebook - Poddar Market	Fonebook	Own	2023091100063
120.	Devdutt Trivedi	Surat	Shop No 2 Deepanjali Society, Palanpur Jakatnaka Road Rander, Surat - 395009.	Fonebook - Rander	Fonebook	Own	2023082600028

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
121.	Mohsin Pathan	Surat	Shop No 12-13 Ambedkar Shopping Center, Opp Kinaar Cinema Ring Road, Surat - 395002.	My Mobile-Ring Road	My Mobile	Own	2023091100074
122.	Ajay Vaghadiya	Surat	Shop No 20 To 21, City Center, Nr Swastik Plaza, Yogi Chok, Varachha Road, Surat - 395006.	Fonebook - Yogi Chowk	Fonebook	Own	2023090800022
123.	Harshit Patel	Mahesana	Shop No. 7 & 8, Ground Floor Shop in E Block of Joyce Hubtown, Mehsana - 382715.	Fonebook-Mahesana	Fonebook	Own	101INT202300776
124.	Javed Malik	Surat	G-31, 32, Ground Floor, Luprit Arcade, Olpad, Surat-394540.	Fonebook-Olpad	Fonebook	Own	PEP2208062115
125.	Piyush Patel	Ahmedabad	39 Siddhi Vinayak Arcade, Girnar Scooter Compound, Odhav Ring Road Circle ODHAV, AHMEDABAD - 382415.	Fonebook-Odhav Ring Road	Fonebook	Own	A20231103-4000513-400001-0001

**Registrations applied for and pending for approval:**

Sr No	Contact Person	City	Address of the Store	Branch Name	Brand	Own / Franchisee	Gumasta
1.	Rajesh Bhai	Gandhidham	Shop.No.26,Ground Floor, Om Corner, Plot No., 336,337,&343, Ward-12 B, Gandhidham, Kutch - 370201.	Fonebook-Gandhidham2	Fonebook	Franchisee	095PTE232400306
2.	Sagar Purohit	Vadodara	Ground Floor, Abhilasha Complex, Opp. Inox Multiplex, Race Course, Vadodara - 390007.	Fonebook-Inox	Fonebook	Franchisee	2023-11-07-PEC_REG-CZSOZ2IZ
3.	Vishal Bhai	Jamnagar	0,Near Ashok Bakery, Limdalane, Jamnagar - 361001.	Fonebook-Jamnagar	Fonebook	Franchisee	2010130401000030
4.	Riyaz Bhai	Mahuva	Shop.No.2,Dolariya Complex Beside Bombay Guest House, Juna Bagicha Chowk, Vasi Talav Road, Mahuva - 364290.	Fonebook-Mahuva	Fonebook	Franchisee	048INT202300004
5.	Dhaval Bhai	Mehsana	Krishna Arcade, G-6, Siddhpur Village, Dis. Patan, Siddhapur - 384151.	Fonebook-Siddhpur	Fonebook	Franchisee	120INT202300413
6.	Gopalbhai	Thara	G-1,2,Gurukrupa Complex, Chitrakut Society, Thara, Kankrej, Banaskantha - 385555.	Fonebook-Thara	Fonebook	Franchisee	042PTE232400042
7.	Ayaz	Umreth	Shop No. 3002, Masjid Ni Street, Vada Bazar,Umreth Anand, Umreth - 388220.	Fonebook-Umreth	Fonebook	Franchisee	3034

8.	Rinkeshbhai	Mahesana	Shop.No.3., Kanya Chhatralaya Bus, Station Road, Unjha, Mahesana - 384170.	Fonebook-Unjha	Fonebook	Franchisee	104RSE202300003
9.	Yogendra Bhai	Waghodiya	Shop. No. 29, Shijivilla, B/H D-Mart, Waghodiya Road, Vadodara - 390019.	Fonebook-Waghodia	Fonebook	Franchisee	SHOP-IR-2023-11-03-0000002
10.	Rehan Bhai	Vadodara	Gf-1,Bage Mariyam, Vadi, Navapura Naka, Rangmahal, Vadodara - 390017.	Fonebox-Wadi	Fonebox	Franchisee	2023-10-22-PEC_REG-PZW80A0Q
11.	Ketanbhai	Vadodara	B-14, Mahavir Park Society Ground Floor, Wali Dukan, Waghodia Road, Vadodara - 390019.	Fonebox-Waghodia	Fonebox	Franchisee	2023-10-22-PEC_REG-67LQXND0
12.	Alpa Ben	Gandhinagar	Shop.No.4, President Complex, Sector-11, Gandhinagar - 382010.	Fonebox-Gandhinagar11	Fonebox	Franchisee	008RSE202300135
13.	Robin Bhai	Gandhinagar	Shop.No.5, Ground Floor, President Complex,Sector-11, Gandhinagar - 382010.	My Mobile-Gandhinagar Sector 11	My Mobile	Franchisee	008INT202300413
14.	Sunil Bhai	Kalol	G-1 City Mall, Navjivan Shopping, Kalol, Gandhinagar - 382721.	My Mobile-Kalol	My Mobile	Franchisee	058RSE202300010
15.	Dhaval Bhai	Mahesana	SARDAR CHOWK OPP. JAIN DERASAR, NR. SANJEEVANI HOSPITAL, STATION ROAD, UNJHA, GUJARAT 384170	Fonebox-Unjha	Fonebox	Franchisee	104RSE202300004
16.	Dinesh Kumar	Dehgam	Shop No 9 Man Avenue, Opp. Auda Garden, Dehgam - 382305.	Fonebook-Dehgam	Fonebook	Own	059RSE202300014
17.	Anil Solanki	Sabarkantha	Ground Floor, Block D, Shop.No.84, New Durga Bazar, Near Durga Bazar, Himatnagar, Sabarkantha - 383001.	Fonebook-Himmatnagar	Fonebook	Own	137RSE202300043
18.	Anish Darbar	Vadodara	A-11, Janki Nagar, Opp. Anand Van Complex, Beside Hero Motors, Subhanpura, Vadodara - 390023.	Fonebook-Subhanpura	Fonebook	Own	2023-11-09-PEC-REG-EIJ2Z5IU

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited and correction of addresses pursuant to addition / deletion of premises.

## SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES

The definition of “Group Companies” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include 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 are considered material by the Board.

Pursuant to a Board resolution dated September 05, 2023 our Board has identified companies with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company:

1. Phonewale Limited
2. Paradise Markcom Private Limited
3. Kriva Mobitech Private Limited

Except as stated above, there are no companies falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies.

### 1. PHONEWALE LIMITED (“PHONEWALE”)

#### • *Brief Corporate Information*

Phonewale was originally formed and registered as a Partnership Firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “M/s Phonewale”, pursuant to a deed of partnership dated May 24, 2017. Thereafter “M/s. Phonewale” was converted from Partnership Firm to a Public Limited Company pursuant to resolution passed at the meeting of partners of M/s. Phonewale on August 28, 2021 and the name of our Company was changed to “Phonewale Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Partnership Firm to Public Limited Company dated December 27, 2021 was issued by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U32300GJ2021PLC128260.

#### • *Current Nature of Activities / Business Activities*

Phonewale is currently engaged in the business as retailer for Electrical equipments and other accessories.

Main Object of Phonewale is to carry on in India or elsewhere, the business to act as a manufacturer, processors, job workers, research and developers, dealers, distributors, stockists, franchiser, exporters, imports, traders, repairer, servicemen, marketers, suppliers, indenters, C&F agents, factors, agents, consigners and consignees of all classes, kinds, types, nature and description of telecommunication equipments, land line phones, computer assemblies and sub-assemblies, computer notebooks, telephone instruments, mobile, handsets and soft wares related thereto, wireless sets, batteries and other electrical, electronics and musical instruments, home appliances, TV, fen, kitchenware articles, bath accessories, apparatuses, parts, components, accessories and spares thereof made of whatever metals and substances.

#### • *Board of Directors*

As on date of this Red Herring Prospectus, the following are the Directors of Phonewale:

Sr. No.	Name	Designation	DIN
1.	Mr. Manishbhai Girishbhai Patel	Chairman and Managing Director	01436792
2.	Mr. Chandresh Dashrathbharthi Swami	Non-Executive Director	06476369
3.	Mr. Arvindkumar Ranchhodhbhai Patel	Whole-Time Director	07573157
4.	Ms. Kavita Khatri	Independent Director	08271931
5.	Ms. Kalpesh Jayantibhai Patel	Independent Director	10170137

#### • *Capital Structure*

As on the date of this Red Herring Prospectus, the authorised share capital of Phonewale is ₹25,00,00,000/- divided into 25000000 Equity Shares of ₹10/- each. The issued, subscribed and paid-up Equity share capital of Phonewale is ₹25,00,00,000/- divided into 25000000 Equity Shares of ₹10/- each.



### • Financial Information

The brief financial details of Phonewale derived from its financial statements for audited financial statements for FY 2022 and 2023 are set forth below:

(Amount in ₹ Lakhs except per share data)

Particulars	For the financial year ended	
	March 31, 2022	March 31, 2023
Equity Share Capital	15.00	1,000.00
Other Equity	129.13	1,570.87
Net worth	144.13	2,570.87
Total Revenue (including other income)	18,447.04	96,411.93
Profit / (Loss) after tax	129.13	1,440.58
Earnings per Share (face value of ₹10/- each) (Basis & Diluted)	86.08	14.41
Net Asset value per share (₹)	96.09	25.71

### • Shareholding Pattern

The shareholding pattern of Phonewale as on the date of this Red Herring Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held (₹ 10/- each)	Percentage (%)
1	Manishbhai Girishbhai Patel	3125000	12.50
2	Binaben Manishbhai Patel	1875000	7.50
3	Krunal Bhagvanbhai Patel	1437500	5.75
4	Chandresh Dashrathbharthi Swami	1437500	5.75
5	Dhruvil Dineshbhai Patel	1250000	5.00
6	Dhaval Dineshkumar Patel	1250000	5.00
7	Harshidaben Sanjaybhai Patel	1250000	5.00
8	Hiteshkumar Ranchhodlal Patel	1250000	5.00
9	Harshkumar Bhupendrabhai Kotak	1250000	5.00
10	Yashvant Bhikhabhai Patel	1250000	5.00
11	Amitkumar Gopalbhai Patel	937500	3.75
12	Pinal Amitkumar Patel	937500	3.75
13	Dipika Shankarlal Patel	750000	3.00
14	Dakshaben Chandreshbhai Swami	750000	3.00
15	Jigneshkumar Dashrathlal Parekh	625000	2.50
16	Rupalben Jigneshkumar Parekh	625000	2.50
17	Patel Mamata Pranav	625000	2.50
18	Patel Hiral Shravan	625000	2.50
19	Jayraj Ambalal Mashruwala	625000	2.50
20	Brijesh Pravinbhai Patel	625000	2.50
21	Arvindkumar Ranchhodbhai Patel	625000	2.50
22	Manishaben S Patel	625000	2.50
23	Patel Samir Baldevbhai	625000	2.50
24	Shilpaben Chandreshkumar Patni	312500	1.25
25	Anitaben Bhadreshkumar Patni	312500	1.25
	<b>TOTAL</b>	<b>25000000</b>	<b>100.00</b>

### • Nature and extent of interest of our Promoters

Our Promoters and Promoter Group holds 64.50% Equity Shares in Phonewale. Further, Our Promoter Mr. Manishbhai Girishbhai Patel and Promoter Group persons namely Mr. Chandresh Dashrathbharthi Swami and Mr. Arvindkumar Ranchhodbhai Patel also hold directorship in Phonewale.

## 2. KRIVA MOBITECH PRIVATE LIMITED (“KMPL”)

### • Brief Corporate Information

KMPL was incorporated as a Private Limited Company on February 28, 2022 under The Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre. The CIN of KMPL is U52335GJ2022PTC129754. Registered Office of KMPL is situated at 1004,1005, Satyam 64, Opp. High Court Nr. Red Carpet, S. G. Highway Ahmedabad- 380061, Gujarat, India.

#### • *Current Nature of Activities / Business Activities*

Main Object of KMPL is to carry on in India or elsewhere, the business to act as a manufacturer, processors, job workers, research and developers, dealers, distributors, stockists, franchiser, exporters, imports, traders, repairer, servicemen, marketers, suppliers, indenters, C&F agents, factors, agents, consigners and consignees of all classes, kinds, types, nature and description of telecommunication equipments, land line phones, computer assemblies and sub-assemblies, computer notebooks, telephone instruments, mobile, handsets and soft wares related thereto, wireless sets, batteries and other electrical, electronics and musical instruments, home appliances, TV, fen, kitchenware articles, bath accessories, apparatuses, parts, components, accessories and spares thereof made of whatever metals and substances.

#### • *Board of Directors*

As on date of this Red Herring Prospectus, the following are the Directors of KMPL:

Sr. No.	Name	Designation	DIN
1.	Mr. Amit Rajnikant Shah	Director	02485487
2.	Mr. Sagar Deepakbhai Mehta	Director	08227853
3.	Mr. Maharshi Vikeshkumar Patel	Additional Director	10237178
4.	Mr. Krunalkumar Kanaiyalal Patel	Additional Director	10237182

#### • *Capital Structure*

As on the date of this Red Herring Prospectus, the authorised share capital of KMPL is ₹10,00,000/- divided into 100000 Equity Shares of ₹10/- each. The issued, subscribed and paid-up Equity share capital of KMPL is ₹10,00,000/- divided into 100000 Equity Shares of ₹10/- each.

#### • *Financial Information*

The brief financial details of KMPL derived from its financial statements for audited financial statements for FY 2022 and FY 2023 are set forth below:

*(Amount in ₹ Lakhs except per share data)*

Particulars	For the financial year ended	
	March 31, 2022	March 31, 2023
Equity Share Capital	10.00	10.00
Other Equity	2.32	11.40
Net worth	12.32	21.40
Total Revenue (including other income)	86.46	979.80
Profit / (Loss) after tax	2.32	9.09
Earnings per Share (face value of ₹ 10/- each) (Basis & Diluted)	2.32	9.09
Net Asset value per share (₹)	12.32	21.40

#### • *Shareholding Pattern*

The shareholding pattern of KMPL as on the date of this Red Herring Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held (₹10/- each)	Percentage (%)
1	Amit Rajnikant Shah	25000	25.00%
2	Sagar Deepakbhai Mehta	25000	25.00%
3	Phonewale Limited	50000	50.00%
	<b>TOTAL</b>	<b>100000</b>	<b>100.00%</b>

#### • *Nature and extent of interest of our Promoters*

Our Group Company holds 50.00% Equity Shares in KMPL.

### 3. PARADISE MARKCOM PRIVATE LIMITED (“PMPL”)

#### *Brief Corporate Information*

PMPL was incorporated as a Private Limited Company on May 21, 2007 under The Companies Act, 1956 pursuant to Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The CIN of KMPL is U52335GJ2007PTC050883. Registered Office of KMPL is situated at A/FF//125, Shayona Center Memco Four Road Opp. Memco Torrent Sub Zona Office Ahmedabad- 382345, Gujarat, India.

#### *Current Nature of Activities / Business Activities*

Main Object of PMPL is to carry on in India or elsewhere the business to manufacture, produce, assemble, repair, install, maintain, convert, service, overhaul, test, buy, sell, exchange, modify, design, develop, export, import, renovate, discover, research, improve, mechanise, mould, print, insulate, hire, let on hire, broadcast, relay, exhibit, inform and to act as wholesaler, retailers, agent, stockists, distributors, show room owners, franchiser or otherwise to deal in all sorts, of items, systems, machines, instruments, apparatus, appliances, devices, articles or things of communications of different models, capacities, characteristics, applications, and uses in all its branches such as consumer goods, electronic goods and appliances, radio communications, tele communications, space communications, satellite communications, wireless communications, computer communications, telephonic and telegraphic communications, wave communications, under water communications and such other communications stems as may be discovered in future and to carry out all the foregoing activities for components, parts, fittings, fixture, accessories, tools, devices and systems, connected thereto and to all incidental acts and things necessary for the attainment of foregoing objects..

#### • *Board of Directors*

As on date of this Red Herring Prospectus, the following are the Directors of PMPL:

Sr. No.	Name	Designation	DIN
1.	Jigar Lallubhai Desai	Director	01435352
2.	Parth Lallubhai Desai	Director	01452248

#### • *Capital Structure*

As on the date of this Red Herring Prospectus, the authorised share capital of PMPL is ₹50,00,000/- divided into 500000 Equity Shares of ₹10/- each. The issued, subscribed and paid-up Equity share capital of KMPL is ₹49,00,000/- divided into 490000 Equity Shares of ₹10/- each.

#### • *Financial Information*

The brief financial details of PMPL derived from its financial statements for audited financial statements for FY2023, FY 2022, 2021 and 2020:

*(Amount in ₹ Lakhs except per share data)*

Particulars	For the financial year ended			
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023
Equity Share Capital	49.00	49.00	49.00	49.00
Other Equity	98.13	123.17	163.19	199.42
Net worth	147.13	172.17	212.19	248.42
Total Revenue (including other income)	8,775.40	9,889.43	11,353.53	17,945.73
Profit / (Loss) after tax	16.22	25.56	42.76	52.93
Earnings per Share (face value of ₹10/- each) (Basis & Diluted)	3.32	5.22	8.73	10.80
Net Asset value per share (₹)	30.02	25.14	33.30	40.70

#### • *Shareholding Pattern*

The shareholding pattern of PMPL as on the date of this Red Herring Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held (₹ 10/- each)	Percentage (%)
1	Jigar Lallubhai Desai	200000	25.00%
2	Parth Lallubhai Desai	140000	25.00%
3	Bhagwatiben L. Desai	150000	50.00%
	<b>TOTAL</b>	<b>490000</b>	<b>100.00%</b>

• *Nature and extent of interest of our Promoters*

Our Promoters and Promoter group holds 100.00% Equity Shares in PMPL. Further, Our Promoters Mr. Jigar Lallubhai Desai and Parth Lallubhai Desai also hold directorship in Paradise Markcom Private Limited.

Financial details of our group companies are available on website of our company under investor tab. Website of our company is [www.fonebook.in](http://www.fonebook.in). Financial information of Phonewale Limited are available on their respective website viz. [www.phonewale.store](http://www.phonewale.store).

### PENDING LITIGATIONS

There is no pending litigation involving any of the above-mentioned group companies which has a material impact on our company. However, for details of Outstanding Litigation against our Company and Group Companies, please refer to Chapter titled “*Outstanding Litigations and Material Developments*” on the Page 217 of this Red Herring Prospectus.

### GENERAL DISCLOSURE

1. None of our Group Companies of which Securities are listed on any stock exchange and has made any public and/or rights issue of securities to the public in the preceding three years.
2. None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
3. Our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
4. Our Group Company has not been identified as a Willful Defaulter or Fraudulent Borrower.

### COMMON PURSUITS

Our Group Companies, Phonewale Limited, Paradise Markcom Private Limited and Kriva Mobitech Private Limited are engaged in the business to act as a manufacturer, processors, job workers, research and developers, dealers, distributors, stockists, franchiser, exporters, imports, traders, repairer, servicemen, marketers, suppliers, indenters, C&F agents, factors, agents, consigners and consignees of all classes, kinds, types, nature and description of telecommunication equipments, land line phones, computer assemblies and sub-assemblies, computer notebooks, telephone instruments, mobile, handsets and soft wares related thereto, wireless sets, batteries and other electrical, electronics and musical instruments, home appliances, TV, fen, kitchenware articles, bath accessories, apparatuses, parts, components, accessories and spares thereof made of whatever metals and substances. which is similar to business activities as that of our Company.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. Further, our Company has not entered into separate non-compete agreement in order to avoid the conflict of interest envisaged with our group companies. In addition, some of our directors are also directors on the boards of some of our group companies. These overlapping directorships could create conflicts of interest between us and the Promoters.

### BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES /ASSOCIATE COMPANIES

**Existing**

Except as mentioned under “*Annexure XI– Restated Related Party Disclosures*” under Chapter titled “*Restated Financial Information*” beginning on page 198 of the Red Herring Prospectus, there is no business interest among Group Companies.

**Proposed Related Party Transactions with Group/Entities/Promoters for FY 2023-24 as approved by the Board of Directors, as on the date of this Red Herring Prospectus:**

Sr. No.	Name of Related Party	Nature of contracts/ arrangements/ transactions	Duration of the contracts /arrangements/ transactions	Omnibus Approval (Amount in ₹ Lakhs)
1	Phonewale Limited	Sales	One Year	15,000.00
		Purchase		15,000.00
2	Kriva Mobitech Private Limited	Sales	One Year	10,000.00
		Purchase		10,000.00
3	Paradise Markcom Private Limited	Sales	One Year	5,000.00
		Purchase		5,000.00

Additionally, our Company will pay remuneration and salary to our Directors and Key Managerial Personnel as approved by the Board of Directors and/or Shareholders of our Company.

In addition to all above transactions proposed to be entered, our Company may also propose to enter into new transactions or transactions beyond the present approval given by the Board of Directors/Audit Committee after obtaining the fresh approval for the new transactions or transactions beyond the approval specified above.

#### **DISSOCIATION OF PROMOTERS IN THE LAST THREE YEAR**

Our Promoters have not disassociated himself from any Company or Firm during the preceding three years.

#### **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

For details, please refer Chapter titled “*Restated Financial Information*” beginning on page 198 of the Red Herring Prospectus, there is no business interest among Group Companies.

#### **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There is no Changes in Significant Accounting Policies during last three FY.

## SECTION – XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on September 05, 2023 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on September 07, 2023 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated January 11, 2024 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoters Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

- i. Our Company, our Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable.
- ii. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
- iii. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoter nor Group Companies/Entities have been identified as willful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is more than ₹10/- Crore and upto ₹25/- Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of NSE Limited and compliance thereof are given hereunder;

#### 1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.

Our Company is incorporated under the Companies Act, 2013.

#### 2. The post issue paid up capital of the company (face value) shall not be more than ₹25.00/- Crore.

The present paid-up capital of our Company is ₹735.00/- Lakh and we are proposing issue of 2910000 Equity Shares of ₹10/- each at Issue price of ₹[●]/- per Equity Share including share premium of ₹[●]/- per Equity Share, aggregating to ₹[●]/- Lakh. Hence, our Post Issue Paid up Capital will be ₹1026.00/- Lakhs which is more than ₹1000.00/- Lakhs and less than ₹2500.00/- Lakhs.

#### 3. Track Record

##### A. Our Promoters/The company should have a track record of at least 3 years.

Mr. Jigar Lallubhai Desai and Mr. Parth Lallubhai Desai are Directors in Paradise Markcom Private Limited since May 21, 2007. Paradise Markcom Private Limited is engaged in the business of distributor of Mobile hence both the promoters are having combined experience of more than 25 years in the business which we operate. In addition, Mr. Jigneshkumar Dashrathlall Parekh having the proprietorship firm Cell City Mobile Shop since 2010, which is engaged in business of Mobile therefore he is having experience of more than 12 years in the business which we operate. Mr. Manish Girishbhai Patel is Director of Phonewale Limited which was earlier partnership firm since May 24, 2017 was engaged in the business which we operates. Thus, combined experience of Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlall Parekh and Mr. Manishbhai Girishbhai Patel is more than 30 years in the business which we operate.

Although our company has been incorporated on February 05, 2021, our promoters of the company, namely Mr. Jigar Lallubhai Desai, Mr. Parth Lallubhai Desai, Mr. Jigneshkumar Dashrathlal Parekh, and Mr. Manishbhai Girishbhai Patel, has combined experience of more than 30 years in the industry that our company operates in.

**B. The company/entity should have Operating Profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(Amount in ₹ Lakhs)

Particulars	For the period / year ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Operating Profit (earnings before interest, depreciation and tax and other income) from operations	239.00	346.24	83.90	(2.29)
Net Worth as per Restated Financial Statement	916.72	210.26	60.23	12.38

**4. Other Requirements**

We confirm that;

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- iv. The Company has a website: [www.fonebook.in](http://www.fonebook.in)

**5. Disclosures**

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to Section titled “General Information” beginning on page 49 of this Red Herring Prospectus.- **Complied with**
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “General Information” beginning on page 49 of this Red herring Prospectus. **Noted for Compliance**
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, 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 two 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 two days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through BRLM immediately up on registration of the Issue Document with the Registrar of

Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ~~DRAFT OFFER DOCUMENT~~ / OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER(S) BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 17, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~.”**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

The copy of the Draft Red Herring Prospectus is submitted to NSE. Post scrutiny of the Draft Red Herring Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under:

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2963 dated January 11, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer**

**Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”**



## CAUTION- DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

The Company, the Directors, accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accepts no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company's website: [www.fonebook.in](http://www.fonebook.in) in would be doing so at their own risk.

The Company, the Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company's website: [www.fonebook.com](http://www.fonebook.com) would be doing so at their own risk.

## CAUTION

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLM, and our Company dated September 05, 2023 and the Underwriting Agreement dated January 12, 2024 between BRLM and our Company and the Market Making Agreement dated January 12, 2024 entered into among the Market Maker, Book Running Lead Manager and our Company.

All information shall be made available by us and BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoters Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoters Group, affiliates or associates for which they have received, and may in future receive, compensation.

### Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

## DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in 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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

## DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus is being filed with NSE Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

#### **LISTING**

Application is to be made to the NSE Emerge Platform for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated January 11, 2024 from NSE for using its name in this offer document for listing our shares on the NSE Emerge Platform.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Two days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within two day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the second day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Three Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**
- ii. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**

**iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

#### **CONSENTS**

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Banker to the issue, Market Maker, and Underwriter to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus/Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018,

- 1) M/s. S V J K and Associates, Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated September 20, 2023 for Audit Report to the Restated Financial Information as well as inclusion of Statement of Tax Benefits dated January 15, 2024 and disclosure made in chapter titled “*Objects of the Issue*” for fund deployment certificate dated January 16, 2024 in this Red Herring Prospectus;
- 2) M/s. Ana Advisors has provided their written consent to act as Legal Advisor to the issue dated September 29, 2023 and to inclusion of name as Expert dated September 29, 2023
- 3) M/s. S V J K and Associates, Chartered Accountants have provided their written consent to act as expert to the company dated January 16, 2024.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Red Herring Prospectus.

#### **EXPERT OPINION**

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Our Company has not made public issue in the past. For details of right issue please refer chapter titled “*Capital Structure*” beginning on page no. 58 of this Red Herring Prospectus.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 58 of this Red Herring Prospectus. Our Company does not have any associates or listed group company, as of the date of this Red Herring Prospectus.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**

For details regarding the price information and track record of the past issue handled by Beeline Capital Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

#### **TABLE 1**

#### **SME IPO:**

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Pentagon Rubber Limited	16.17	70.00	July 07, 2023	130.00	65.78% (0.96%)	62.57% (0.54%)	70.00% (12.07%)
2.	Ahasolar Technologies Limited	12.85	157.00	July 21, 2023	203.00	147.64% (-2.60%)	94.20% (-1.21%)	102.13% (9.66%)
3.	Shri Techtex Limited	45.14	61.00	August 04, 2023	81.15	59.67% (-0.42%)	34.43% (-2.70%)	N.A.
4.	Vinsys It Service India Limited	49.84	128.00	August 11, 2023	196.45	132.11% (+2.02%)	126.56% (+0.08%)	N.A.
5.	Chavda Infra Limited	43.26	65.00	September 25, 2023	91.00	33.92% (-2.00%)	23.23% (+8.51%)	N.A.
6.	Kody Technolab Limited	27.52	160.00	September 26, 2023	170.00	44.88% (-2.76%)	167.78% (+8.57%)	N.A.
7.	Hi-Green carbon Limited	52.80	75.00	September 28, 2023	77.00	101.47% (-2.44%)	140.20% (+9.82%)	N.A.
8.	Karnika Industries Limited	25.07	76.00	October 12, 2023	81.00	78.75% (-1.86%)	107.24% (+8.84%)	N.A.
9.	Arvind and Company Shipping Agencies Limited	14.74	45.00	October 25, 2023	80.00	26.56% (+3.56%)	N.A.	N.A.
10.	Rajgor Castor Derivatives	47.81	50.00	October 31, 2023	59.00	-0.80% (+5.33%)	N.A.	N.A.
11.	Sheetal Universal Limited	23.80	70.00	December 11, 2023	75.00	22.14% (+2.61%)	N.A.	N.A.
12.	Benchmark Computer Solutions Limited	12.24	66.00	December 21, 2023	80.00	N.A.	N.A.	N.A.
13.	Indifra Limited	14.04	65.00	December 29, 2023	72.00	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**MAIN BOARD IPO:**

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
NIL								

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Note:**

- The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
- “Issue Price” is taken as “Base Price” for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
- “Closing Benchmark” on the listing day of respective scripts is taken as “Base Benchmark” for calculating % Change in Closing Benchmark on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
- In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

**SUMMARY STATEMENT OF DISCLOSURE**

**TABLE 2**

**SME IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %
2023-24	14	432.97	-	-	2	7	3	-	-	-	-	3	-	-
2022-23	12	232.94	-	1	2	3	2	4	-	1	1	3	2	5
2021-22	N.A.													

**MAIN BOARD IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24			NIL											
2022-23			NIL											
2021-22			N.A											

**Notes:**

1. Issue opening date is considered for calculation of total number of IPO's in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediately 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.

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**PROMISE VIS-A-VIS PERFORMANCE**

Since, neither our Company nor our Promoter's Group Companies/Entities have made any previous rights or public issues since its incorporation, promise vis-a-vis Performance is not applicable.

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100/- per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100/- per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in

SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus/Prospectus. - **Noted for Compliance**

#### DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation	Nature of Directorship
Mrs. Bhavisha Kunal Chauhan	Chairman	Independent Director
Mr. Jaykumar Deepakbhai Khatnani	Member	Independent Director
Mr. Sumitkumar Hareshbhai Patel	Member	Independent Director
Mr. Jigneshkumar Dashrathlal Parekh	Member	Whole Time Director

Our Company has appointed Mrs. Charmi Shah as the Company Secretary and Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Mrs. Charmi Shah

C/o. Fonebox Retail Limited  
702/703, 7TH Floor,  
Satyam 64 Opp. Gujarat High Court,  
S G Road, Ahmedabad- 380061, Gujarat, India.

Telephone No.: 079 46025304

Web site: [www.fonebook.com](http://www.fonebook.com)

E-Mail: [cs@fonebox.in](mailto:cs@fonebox.in)

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### PUBLIC ISSUE EXPENSES

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees including Underwriting Commission	[●]	[●]	[●]
Fees Payable to Advisor to the Issue and Consultants	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees Payable to Market Maker (for Two Years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00</b>	[●]

**Notes:**

- Up to January 15, 2024, Our Company has deployed/incurred expense of ₹ 13.16 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Peer Reviewed Auditor M/s. S V J K & Associates, Chartered Accountants vide its certificate dated January 16, 2024, bearing UDIN: 24193591BKAFHS2476
- Any expenses incurred towards aforesaid issue related expenses during the period from January 01, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
 

Portion for RIIs 0.01% or ₹100/- whichever is less ^ (exclusive of GST)

Portion for NIIs 0.01% or ₹100/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

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

**FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

**FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.



The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

### FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

### COMMISSION PAYABLE TO SCSBS

1. *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*

*Portion for RIIs 0.01% or ₹100/- whichever is less ^ (exclusive of GST)*

*Portion for NIIs 0.01% or ₹100/- whichever is less ^ (exclusive of GST)*

*^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).*

2. *The Members of RTAs and CDPs will be entitled to application charges of ₹10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*

3. *Registered Brokers, will be entitled to a commission of ₹10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*

4. *SCSBs would be entitled to a processing fee of ₹10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*

5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*

6. *Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.*

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

### PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “Capital Structure” beginning on page 58 of this Red Herring Prospectus, our Company has not Issue any Equity Shares for consideration otherwise than for cash.

### LISTED VENTURES OF PROMOTERS

There are no listed ventures of our Promoters as on date of filing of this Red Herring Prospectus.

### OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

### CHANGES IN AUDITORS

Particulars	Date of Appointment/Resignation	Reason for change
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<p><b>M/S. R K KOTADIYA &amp; CO.</b> Chartered Accountants <b>Address:</b> A-203, Krishana Complex, Opp. Devasish Business, Business Park, Nr. S.G. Road, Bodakdev, Satellite, Ahmedabad-380015, Gujarat. <b>Tel. No.:</b> +91 97256 04018 <b>Email Id:</b> <a href="mailto:kotadiyarajesh.ica@gmail.com">kotadiyarajesh.ica@gmail.com</a> <b>Membership No.:</b> 142120 <b>Firm Registration No:</b> 136884W</p>	<p>February 15, 2021</p>	<p>Appointment of First auditor by Board of directors</p>
<p><b>M/S. R K KOTADIYA &amp; CO.</b> Chartered Accountants <b>Address:</b> A-203, Krishana Complex, Opp. Devasish Business, Business Park, Nr. S.G. Road, Bodakdev, Satellite, Ahmedabad-380015, Gujarat. <b>Tel. No.:</b> +91 97256 04018 <b>Email Id:</b> <a href="mailto:kotadiyarajesh.ica@gmail.com">kotadiyarajesh.ica@gmail.com</a> <b>Membership No.:</b> 142120 <b>Firm Registration No:</b> 136884W</p>	<p>December 31, 2021</p>	<p>Re-Appointment of Statutory Auditor in Annual General Meeting for term commencing from April 01, 2021 to March 31, 2025.</p>

#### CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as disclosed under chapter titled “*Capital Structure*” on page 58 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits since its incorporation.

#### REVALUATION OF ASSETS DURING LAST 5 (FIVE) YEARS

Our Company has not revalued its assets since its incorporation.

## SECTION XIII – ISSUE RELATED INFORMATION

### TERMS OF ISSUE

*Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (“CAN”) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated*

*November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on September 05, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EoGM of the Company held on September 07, 2023.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled “*Dividend Policy*” beginning on pages 197 of this Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹10/- and the Issue Price at the lower end of the Price Band is ₹[●]/- per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹[●]/- per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 99 of this Red Herring Prospectus.

#### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
4. Right to receive annual reports and notices to members;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI (LODR), 2015 and the Memorandum and Articles of Association of the Company.

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

1. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated June 08, 2023.
2. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated June 14, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e., not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, 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 all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. 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 U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the equity shares; or
- b. to make such transfer of the equity shares, as the deceased holder could have made.

Further, 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 (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 58 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 296 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
Bid/Issue Opening Date	Wednesday, January 24, 2024
Bid/Issue Closing Date	Monday, January 29, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, January 30, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Wednesday, January 31, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, January 31, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, February 01, 2024

*\*\*n case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid*

*Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds..*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for IPOs. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue has been made under UPI Phase III, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

#### **Submission of Bids**

##### **Bid/Issue Period (except the Bid/Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

##### **Bid/Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

##### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- b) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue including through the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000/- (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Migration to Main Board**

*Our company may migrate to the main board of NSE Limited at a later date subject to the following:*

- a. *If the Paid-up Capital of our 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 Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than ₹10/- Crores but below ₹25/- Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge platform of NSE has to fulfill following conditions:*

- i) *The increase in post issue face value capital beyond ₹25/- crore should arise only because of merger/acquisition or for expansion purposes.*
- ii) *The company should have a minimum turnover of ₹100/- crore as per last audited financials and market capitalization of ₹100/- crore.*
- iii) *The company should have a minimum profit before tax of ₹10/- crore for two years out of three preceding years.*
- iv) *There should not be any action against the company by any regulatory agency at the time of application for migration.*

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the NSE Emerge. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 49 of this Red Herring Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a



shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

**Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 58 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of 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.

**Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

**New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹10/- crores and upto ₹25/- crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange SME Exchange”, in this case being NSE Emerger). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page 258 and 268 respectively of this Red Herring Prospectus.

This public issue comprises of 2910000 equity shares of face value of ₹10/- each for cash at a price of ₹[●]/- per equity share including a share premium of ₹[●]/- per equity share (the “issue price”) aggregating to ₹[●]/- Lakhs (“the issue”) by our company. The Issue and the Net Issue will constitute 28.36 % and 26.94 % respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	146000 Equity Shares	Not more than 1378000 Equity Shares.	Not less than 416000 Equity Shares	Not less than 970000 Equity Shares
Percentage of issue size available for allocation	5.02 % of the issue size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders.</p> <p>However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only.</p> <p>Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.</p> <p>The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p>	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment <sup>(3)</sup>	Firm Allotment	<p>Proportionate as follows:</p> <p>(1) Upto 28000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(2) Upto 524000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs,</p>	Proportionate	Proportionate

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
		including Mutual Funds receiving allocation as per (a) above.		
Mode of Bid	Only through the ASBA process.	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹2,00,000/-	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹2,00,000/-	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹2,00,000/-
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2,00,000/-
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process			

- This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- Subject to valid Bids being received at or above the issue price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

#### WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof. In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## BID/ISSUE PROGRAMME:

Events	Indicative Dates
Bid/Issue Opening Date	Wednesday, January 24, 2024
Bid/Issue Closing Date	Monday, January 29, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, January 30, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Wednesday, January 31, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, January 31, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, February 01, 2024

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

1. A standard cut-off time of 3.00 p.m. for acceptance of bids.
2. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
3. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (**UPI**) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for 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.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of six months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com/merge](http://www.nseindia.com/merge). For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited (“NSE EMERGE”).

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 BRLM 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 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 the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

### BOOK BUILDING PROCEDURE

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.**

### AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

#### Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated 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 payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID

for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) 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.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA

Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors 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

**Note:** *Electronic Bid Cum Application Forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)).*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of this Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called "Designated Intermediaries"):

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
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<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus and/or Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date (“Cut-Off Time”). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

#### WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to this Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### APPLICATIONS NOT TO BE MADE BY

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### MAXIMUM AND MINIMUM APPLICATION SIZE

##### 1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net

Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and Ahmedabad Edition of Regional newspaper Financial Express where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Ahmedabad Edition of Regional newspaper Financial Express where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once

the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the StockExchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed

5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, please refer chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on Page No. 294 of this Red Herring Prospectus. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

## **BIDS BY FPIS**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

## **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master

Direction – Ownership in Private Sector Banks, Directions, 2016, please refer chapter titled “Key Industry Regulations” beginning on Page No. 165 of this Red Herring Prospectus.

#### **BIDS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) Equity Shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a



minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;

- Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the

Issue Price.

- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

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

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

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

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

#### **GENERAL INSTRUCTIONS**

##### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;

24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a RIB;
19. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;

21. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
24. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
25. Do not Bid if you are an OCB; and
26. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please refer the section entitled “*General Information*” and “*Our Management*” beginning on Page No. 49 and 174 of this Red Herring Prospectus, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please refer the section titled “*General Information*” beginning on Page No. 49 of this Red Herring Prospectus.

#### GROUNDS FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer section titled “*General Information*” beginning on Page No. 49 of this Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the



total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### c. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

#### c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] Equity Shares.

- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red herring 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 NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered

into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 2 (two) working days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on June 08, 2023
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on June 14, 2023
- c) The Company's Equity shares bear an **ISIN- INE0Q4701019**

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all Editions of English Daily Newspaper, Financial Express, All Edition of Hindi National Daily Newspaper, Jansatta, and Ahmedabad Edition of Gujarati Daily Newspaper, Financial Express (Gujarati Being Regional Language of Gujarat Where our Registered Office is located).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

### IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakhs or with both.

### UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and

- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e., 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “*Issue Procedure*” beginning on page 268.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated 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 Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “*Issue Procedure*” beginning on page 268.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**



## DESCRIPTION OF EQUITY SHARES RELATED TERMS OF THE ARTICLES OF ASSOCIATION

**\*Adoption of Articles of Association Vide Special Resolution Passed by the Members through Extra-Ordinary General Meeting held on June 28, 2023.**

**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION\*  
OF  
FONEBOX RETAIL LIMITED**

### CONSTITUTION OF THE COMPANY

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

#### INTERPRETATION CLAUSE

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
  - a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
  - b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
  - c) 'The Company' or 'This Company' means FONEBOX RETAIL LIMITED
  - d) 'Directors' means the Directors for the time being of the Company.
  - e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
  - f) 'Members' means members of the Company holding a share or shares of any class.
  - g) 'Month' shall mean a calendar month.
  - h) 'Paid-up' shall include 'credited as fully paid-up'.
  - i) 'Person' shall include any corporation as well as individual.
  - j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
  - k) 'Section' or 'Sec.' means Section of the Act.
  - l) Words importing the masculine gender shall include the feminine gender.
  - m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
  - n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.
  - o) 'The Office' means the Registered Office for the time being of the Company.
  - p) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
  - q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.
3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
4. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.
5. Subject to the 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 allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.
7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
- I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
  - (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
  - (d) After the expiry of the time specified in the notice aforesaid, or in respect 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 as it thinks most beneficial to the Company.
  - II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.
  - III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:
    - (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
    - (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
8. (1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.
- (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
9. **Issue of further shares with disproportionate rights**  
 Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
10. **Not to issue shares with disproportionate rights**  
 The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
11. **Power to pay commission**  
 The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
12. **Liability of joint holders of shares**

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

### **13. Trust not recognised**

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

### **14. Issue other than for cash**

- a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
- b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

### **15. Acceptance of shares**

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

### **16. Member' right to share Certificates**

1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
  - a. One certificate for all his shares; or
  - b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
3. Every certificate shall be under the signature of two Directors and the Company Secretary of the Company and shall specify the shares to which it relates and the amount paid-up thereon.
4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the signature of two Directors and the Company Secretary of the Company or authorized official(s) of the Company.

### **17. One Certificate for joint holders**

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

### **18. Renewal of Certificate**

If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

### **19. Splitting and consolidation of Share Certificate**

The shares of the Company will be split up/consolidated in the following circumstances:

- (i) At the request of the member/s for split up of shares in marketable lot.
- (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

### **20. Directors may issue new Certificate(s)**

Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

### **21. Person by whom installments are payable**

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

## LIEN

### 22. Company's lien on shares

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

### 23. As to enforcing lien by sale

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

### 24. Authority to transfer

- a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
- b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

### 25. Application of proceeds of sale

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

## CALLS ON SHARES

### 26. Calls

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

### 27. When call deemed to have been made

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

### 28. Length of Notice of call

Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

### 29. Sum payable in fixed installments to be deemed calls

If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

### 30. When interest on call or installment payable

If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

### 31. Sums payable at fixed times to be treated as calls

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

### 32. Payment of call in advance

The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

### 33. Partial payment not to preclude forfeiture

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any

member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

## **FORFEITURE OF SHARES**

### **34. If call or installment not paid, notice may be given**

If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

### **35. Evidence action by Company against shareholders**

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any 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 matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

### **36. Form of Notice**

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

### **37. If notice not complied with, shares may be forfeited**

If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

### **38. Notice after forfeiture**

When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

### **39. Boards' right to dispose of forfeited shares or cancellation of forfeiture**

A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

### **40. Liability after forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

### **41. Effect of forfeiture**

The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

### **42. Evidence of forfeiture**

A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

### **43. Non-payment of sums payable at fixed times**

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

### **44. Validity of such sales**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register 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.

## TRANSFER AND TRANSMISSION OF SHARES

### 45. Transfer

- a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

- c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

### 46. Form of transfer

Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

### 47. Board's right to refuse to register

The Board, may, at its absolute discretion and without assigning any reason, decline to register;

1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
2. Any transfer or transmission of shares on which the Company has a lien
  - a. Provided that registration of any 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 a lien on the shares.
  - b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
  - c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
  - d. The provisions of this clause shall apply to transfers of stock also.

### 48. Further right of Board of Directors to refuse to register

- a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.
- b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
- c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.
- d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:
  - i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.
  - ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.

- iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.
- iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.
- v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.

Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor not withstanding that the residual holding shall be below hundred (100).

#### 49. Rights to shares on death of a member for transmission

- a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

#### 50. Rights and liabilities of person

- 1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either
  - a. to be registered himself as a holder of the share or
  - b. to make such transfer of the share as the deceased or insolvent member could have made.
- 2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

#### 51. Notice by such a person of his election

- a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.

#### 52. No transfer to infant, etc.

No transfer shall be made to an infant or a person of unsound mind.

#### 53. Endorsement of transfer and issue of certificate

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

#### 54. Custody of transfer

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

#### 55. Register of members

- a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

##### Closure of Register of members

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

**When instruments of transfer to be retained**

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

**Company’s right to register transfer by apparent legal owner**

- 57. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to 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 the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

**ALTERATION OF CAPITAL**

**Alteration and consolidation, sub-division and cancellation of shares**

- 58. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:
  - 1. increase its share capital by such amount as it thinks expedient by issuing new shares;
  - 2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - 3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
  - 4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on 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 shares from which the reduced share is derived.
  - 5. (a). Cancel shares which, at the date of 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.  
 (b). The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
  - 6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

**Reduction of capital, etc. by Company**

- 59. The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
  - a. its share capital;
  - b. any capital redemption reserve account; or
  - c. any share premium account.

**SURRENDER OF SHARES**

**Surrender of shares**

- 60. The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

**MODIFICATION OF RIGHTS**

**Power of modify shares**

- 61. The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.

**SET OFF OF MONEY DUE TO SHAREHOLDERS**

**Set-off of moneys due to shareholders**



62. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

## CONVERSION OF SHARES INTO STOCK

### Conversion of shares

63. The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

### Transfer of stock

64. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

### Right of stockholders

65. The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its 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.

### Applicability of regulations to stock and stockholders

66. Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

## 67. DEMATERIALISATION OF SECURITIES

### a) Definitions

For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities and Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

‘Security’ means such security as may be specified by SEBI from time to time.

### b) Dematerialisation of securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

### c) Options for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

### d) Securities in depositories to be in fungible form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 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 and 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 security on behalf of the beneficial owner.
- ii. Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- iii. Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

### f) Service of documents

Notwithstanding anything 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.

**g) Transfer of securities**

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**h) Allotment of securities dealt with in a depository**

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**i) Distinctive numbers of securities held in a depository**

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

**j) Register and Index of Beneficial owners**

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

**k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

## GENERAL MEETINGS

### Annual General Meeting

68. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

### Extraordinary General Meeting

69. 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

### Right to summon Extraordinary General Meeting

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

### Extraordinary Meeting by requisition

70. a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.
- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

### Length of notice for calling meeting

71. A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

### Accidental omission to give notice not to invalidate meeting

72. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

**Special business and statement to be annexed**

73. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

**Quorum**

74. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present  
 Number of members 1000-5000: 15 members personally present  
 Number of members more than 5000: 30 members personally present

**If quorum not present, when meeting to be dissolved and when to be adjourned**

75. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

**Chairman of General Meeting**

76. The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

**When Chairman is absent**

77. If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

**Adjournment of meeting**

78. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

**Questions at General Meeting how decided**

79. At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.

**Casting vote**

80. In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

**Taking of poll**

81. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

**In what cases poll taken without adjournment**

82. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

**Votes**

83. a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
- b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
- c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

**Business may proceed notwithstanding demand for poll**

84. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

**Joint holders**

85. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

**Member of unsound mind**

86. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

**No member entitled to vote while call due to Company**

87. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**Proxies permitted on polls**

88. On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

**Instrument of proxy**

89. a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the signature of two Directors and the Company Secretary of the Company or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.
- b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
  2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- c. A person authorised by resolution as aforesaid 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 if he were personally the member, creditor or debenture holder.

**Instrument of proxy to be deposited at the office**

90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

**Validity of vote by proxy**

91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Form of proxy**

92. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

## DIRECTORS

### Number of Directors

93. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

#### a) Present Board of Directors

- i. Mr. Manishbhai Girishbhai Patel
- ii. Mr. Jigneshkumar Dashrathlal Parekh
- iii. Mr. Amitkumar Gopalbhai Patel
- iv. Mr. Parth Lallubhai Desai
- v. Mr. Jay Deepakbhai Khatnani
- vi. Mrs. Bhavisha Kunal Chauhan
- vii. Mr. Aayush Kamleshbhai Shah
- viii. Mr. Sumitkumar Hareshbhai Patel

#### b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.

94. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

#### Qualification of Directors

95. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

#### Director's remuneration

96. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-Time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

#### Directors may act notwithstanding vacancy

97. The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:

#### Chairman of the Board

98. The Board may from time to time appoint any Director to be the Chairman of the Board. The Chairman of the Board shall be subject to the same provisions as to resignation and removal as the other Directors, and he ipso facto, and immediately ceases to be the Chairman if he ceases to hold the office of Director for any cause.

#### Casual vacancy

99. If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed

shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

## VACATION OF OFFICE BY DIRECTORS

### Vacation of office by Directors

100. The office of a Director shall be vacated if:
1. he is found to be unsound mind by a Court of competent jurisdiction;
  2. he applies to be adjudicated as an insolvent;
  3. he is an undischarged insolvent;
  4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
  5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
  6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
  7. he has not complied with Subsection (3) of Section 152
  8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
  9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
  10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
  11. he becomes disqualified by an order of a court or the Tribunal
  12. he is removed in pursuance of the provisions of the Act,
  13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:
    1. for thirty days from the date of the adjudication, sentence or order;
    2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
    3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

### Alternate Directors

101. (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.
- (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

### Independent Directors

- (c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.
- (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.

### Women Director

- (d) The Directors shall appoint at least one women director as per the requirements of section 149 of the Act.

### Key Managerial Personnel

- (e) Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

- (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

**Additional Directors**

102. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.

**Proportion of retirement by rotation**

- a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.

**Debenture**

103. Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

**Corporation/Nominee Director**

104. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).
- b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.

**Disclosure of interest of Directors**

105. a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or

arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.

- b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

**Rights of Directors**

- 106. Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

**Directors to comply with Section 184**

- 107. Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

**Directors power of contract with Company**

- 108. Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

**ROTATION OF DIRECTORS**

**Rotation and retirement of Directors**

- 109. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

**Retiring Directors eligible for re-election**

- 110. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

**Which Directors to retire**

- 111. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

**Retiring Directors to remain in office till successors are appointed**

- 112. Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

**Power of General Meeting to increase or reduce number of Directors**

- 113. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.

**Power to remove Directors by ordinary resolution**

- 114. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

**Rights of persons other than retiring Directors to stand for Directorships**

- 115. Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".



**Register of Directors and KMP and their shareholding**

116. The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

**Business to be carried on**

117. The business of the Company shall be carried on by the Board of Directors.

**Meeting of the Board**

118. The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

**Director may summon meeting**

119. A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

**Question how decided**

120. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

**Right of continuing Directors when there is no quorum**

121. The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

**Quorum**

122. The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

**Election of Chairman to the Board**

123. If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

**Chairman Emeritus**

- 123 A.
- (1) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company.
  - (2) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the members in a general meeting.
  - (3) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.
  - (4) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.
  - (5) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company.
  - (6) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus."

**Power to appoint Committees and to delegate**

124. a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

**Delegation of powers**

- b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.
- c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

**Proceedings of Committee**

125. The meeting and proceedings of any such Committee consisting of two or 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 not superseded by any regulations made by the Directors under the last preceding Article.

**Election of Chairman of the Committee**

126. a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

**Question how determined**

127. a. A Committee may meet and adjourn as it thinks proper.
- b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

**Acts done by Board or Committee valid, notwithstanding defective appointment, etc.**

128. All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

**Resolution by circulation**

129. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

**POWERS AND DUTIES OF DIRECTORS**

**General powers of Company vested in Directors**

130. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

**Attorney of the Company**

131. The Board may appoint at any time and from time to time by a power of attorney under the signature of two Directors and the Company Secretary of the Company, any person to be the Attorney 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 Articles 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 members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

**Power to authorise subdelegation**

132. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

**Directors' duty to comply with the provisions of the Act**

133. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

**Special power of Directors**

134. In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

**To acquire and dispose of property and rights**

135. a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

**To pay for property in debentures, etc.**

- b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To secure contracts by mortgages**

- c. To secure the fulfillment of any contracts or agreements 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 other manner as they think fit.

**To appoint officers, etc.**

- d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks 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 powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.
- e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

**To refer to arbitration**

- f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

**To give receipt**

- g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

**To act in matters of bankrupts and insolvents**

- h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

**To give security by way of indemnity**

- i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

**To give commission**

- j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.

**To make contracts etc.**

- k. 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 consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

**To make bye-laws**

- l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

**To set aside profits for provided fund**

- m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

**To make and alter rules**

- n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
- o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

**Managing Director**

- 136. a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:
- b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.
- c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.
- d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.
- e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.
- f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

**Whole-Time Director**

- 137. 1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-Time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-Time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-Time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.
- 2. A Whole-Time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-Time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

**Secretary**

- 138. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

**Powers as to commencement of business**

- 139. Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

**Delegation of power**

- 140. Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

**BORROWING**

**Borrowing Powers**

- 141. a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179

of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

**Assignment of debentures**

142. Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

**Terms of debenture issue**

143. a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
- c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.
- d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.
- e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

**Charge on uncalled capital**

144. Any uncalled capital of the Company may be included in or charged by mortgage or other security.

**Subsequent assignees of uncalled capital**

145. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

**Charge in favour of Director of indemnity**

146. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

**Powers to be exercised by Board only at meeting**

147. a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings 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;
  - (c) to issue securities, including debentures, whether in or outside India;
  - (d) to borrow monies;
  - (e) to invest the funds of the company;
  - (f) to grant loans or give guarantee or provide security in respect of loans;
  - (g) to approve financial statement and the Board's report;
  - (h) to diversify the business of the company;
  - (i) to approve amalgamation, merger or reconstruction;
  - (j) to take over a company or acquire a controlling or substantial stake in another company;
  - (k) to make political contributions;
  - (l) to appoint or remove key managerial personnel (KMP);
  - (m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
  - (n) to appoint internal auditors and secretarial auditor;
  - (o) to take note of the disclosure of director's interest and shareholding;
  - (p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
  - (q) to invite or accept or renew public deposits and related matters;
  - (r) to review or change the terms and conditions of public deposit;
  - (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.
  - (t) such other business as may be prescribed by the Act.
- b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.
- c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.
- d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.
- e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

**Register of mortgage to be kept**

148. The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

**Register of holders of debentures**

149. Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

**Inspection of copies of and Register of Mortgages**

150. The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

**Supplying copies of register of holder of debentures**

151. The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

**Right of holders of debentures as to Financial Statements**

152. Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

**Minutes**

153. a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

**Managing Director's power to be exercised severally**

154. All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.

**MANAGER**

**Manager**

155. Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

**DIVIDENDS AND RESERVES**

**Rights to Dividend**

156. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

**Declaration of Dividends**

157. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

**What to be deemed net profits**

158. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

**Interim Dividend**

159. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

**Dividends to be paid out of profits only**

160. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

**Reserve Funds**

163. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

**Method of payment of dividend**

164. a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

**Deduction of arrears**

165. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.

**Adjustment of dividend against call**

166. Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

**Payment by cheque or warrant**

167. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of

that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.

- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

**Retention in certain cases**

168. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

**Receipt of joint holders**

- (A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:
  - a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
  - b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.

**Deduction of arrears**

169. Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

**Notice of Dividends**

170. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

**Dividend not to bear interest**

171. No dividend shall bear interest against the Company.

**Unclaimed Dividend**

172. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

**Transfer of share not to pass prior Dividend**

173. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

**CAPITALISATION OF PROFITS**

**Capitalisation of Profits**

- 174. a. The Company in General Meeting, may on the recommendation of the Board, resolve:
  - 1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
  - 2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:
  - 1. paying up any amount for the time being unpaid on any share held by such members respectively;
  - 2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
  - 3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

**Powers of Directors for declaration of Bonus**

- 175. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
  - 1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and
  - 2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:



1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
  2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

#### **ACCOUNTS**

##### **Books of account to be kept**

176. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

##### **Where books of account to be kept**

177. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

##### **Inspection by members**

178. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

##### **Statement of account to be furnished to General Meeting**

179. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

##### **Financial Statements**

180. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

##### **Authentication of Financial Statements**

181. a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

##### **Auditors Report to be annexed**

182. The Auditor's Report shall be attached to the financial statements.

##### **Board's Report to be attached to Financial Statements**

183. a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
- b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.
- e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

##### **Right of member to copies of Financial Statements**

184. The Company shall comply with the requirements of Section 136.

#### **ANNUAL RETURNS**

## Annual Returns

185. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

### AUDIT

#### Accounts to be audited

186. a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.
- f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and
2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
- i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

#### Audit of Branch Offices

187. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

#### Remuneration of Auditors

188. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.

#### Rights and duties of Auditors

189. a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.
- b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:
1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
  2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.
- d. The Auditor's Report shall also state:

- (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
  - (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
  - (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
  - (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
  - (e) whether, in his opinion, the financial statements comply with the accounting standards;
  - (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
  - (g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;
  - (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
  - (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
  - (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
  - (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.
- f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

**Accounts whether audited and approved to be conclusive**

190. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

**Service of documents on the Company**

191. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

**How documents to be served to members**

192. a. A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- c. Where a document is sent by post:
- i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;
    - a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
    - b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.

**Members to notify address in India**

193. Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

**Service on members having no registered address in India**

194. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

**Service on persons acquiring shares on death or insolvency of members**

195. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

**Notice valid though member deceased**

196. Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

**Persons entitled to Notice of General Meeting**

197. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;
- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - (b) the auditor or auditors of the company; and
  - (c) every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

**Advertisement**

198. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.
- b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

**Transference, etc. bound by prior notices**

199. Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

**How notice to be signed**

200. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

**AUTHENTICATION OF DOCUMENTS**

**Authentication of document and proceeding**

201. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

**WINDING UP**

**Winding up**

202. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

**Division of assets of the Company in specie among members**

203. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

**INDEMNITY AND RESPONSIBILITY**

**Directors' and others' right to indemnity**

204. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.
205. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

#### **SECURITY CLAUSE**

206. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.
- b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

#### **REGISTERS, INSPECTION AND COPIES THEREOF**

207. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.
- b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

#### **BUY-BACK OF SHARES**

208. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL AUTHORITY**

209. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

## SECTION XIV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus /Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 702/703, 7<sup>th</sup> Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad, Gujarat - 380061 India from date of filing the Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date. Copies of below Material Contracts and Documents are also available on the website of the company on [www.fonebook.in](http://www.fonebook.in).

#### ➤ MATERIAL CONTRACTS

1. Issue Agreement dated September 05, 2023 executed between our Company and Book Running Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated September 05, 2023 executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated January 12, 2024, executed between our Company, Book Running Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated January 12, 2024, executed between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated January 12, 2024, executed between our Company, Book Running Lead Manager, and Underwriter.
6. Syndicate Agreement dated January 12, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated June 08, 2023.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated June 14, 2023.

#### ➤ MATERIAL DOCUMENTS

- A. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
- B. Board Resolution dated September 05, 2023 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on September 07, 2023.
- C. Statement of Tax Benefits dated September 20, 2023 issued by our Peer Reviewed Auditors M/s. S V J K & Associates, Chartered Accountants.
- D. Copy of Restated Financial Statement along with Report from the peer review certified auditor –M/s. S V J K & Associates, Chartered Accountants, Ahmedabad for the period ended September 30, 2023 and for the year ended March 31, 2023, 2020, 2021 dated January 16, 2024 included in the Red Herring Prospectus.
- E. Copy of Audited Financial Statement for the period ended September 30, 2023 and for the year ended on March 31, 2023, 2022 and 2021.
- F. Copy of Certificate from M/s. S V J K & Associates, Chartered Accountants, Ahmedabad dated January 16, 2024 regarding the source and deployment towards the objects of the Offer.
- G. Copy of Certificate from M/s. S V J K & Associates, Chartered Accountants, Ahmedabad dated January 16, 2024 regarding the Basis for Issue Price.
- H. Copy of Certificate from M/s. S V J K & Associates, Chartered Accountants, Ahmedabad dated September 20, 2023 regarding working capital requirement towards the objects of the Offer.
- I. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Underwriter, Market Maker and Banker to the Issue, to act in their respective capacities.

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J. Due Diligence Certificate from Book Running Lead Manager dated September 30, 2023 and January 14, 2024 addressing NSE and SEBI, respectively.

K. Copy of In-principle approval letter dated January 11, 2024 from the NSE.

Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**