



ROYAL SENSE LIMITED

Corporate Identity Number: U21006DL2023PLC412051

Registered Office	Contact Person	E-mail and Telephone	Website
First Floor, Plot No 57, Phase-II, Badli Industrial Area Badli, Delhi-110042	Ms. Priyanka Bhutani Company Secretary and Compliance Officer	compliance@royalsense.in & +91 9205843102	www.royalsense.in

OUR PROMOTER

MR. RISHABH ARORA

DETAILS OF OFFER TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFS SIZE (by No. of shares or by amount in ₹)	TOTAL ISSUE SIZE	ELIGIBILITY 229(1)/ 229(2) & Share Reservation among NII & RII
Fresh Issue	Upto 14,50,000 Equity shares of ₹10 each having an issue Price [●] aggregating to [●]	NIL	[●] Equity shares of ₹10 each having an issue Price [●] aggregating to [●]	The Issue is being made pursuant to Regulation 229 (1) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is less than ₹1000 Lakhs. For details in relation to share reservation among NIIs and RIIs, see "Issue Structure" on page 153 of this Draft Prospectus.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 56 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 22 of this Draft Prospectus

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this Draft 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 make this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email id & Telephone No
 EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED	Mr. Gaurav Jain	Email id: ipo@expertglobal.in & Telephone: +91 011 4509 8234

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email id & Telephone
 Bigshare Services Pvt. Ltd.	Mr. Babu Rapheal C.	Email id: ipo@bigshareonline.com Telephone No: +91 22-62638200

ISSUE PROGRAMME

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]
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ROYAL SENSE LIMITED
CIN: U21006DL2023PLC412051

Our Company was incorporated as 'Royal Sense Limited' under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated April 06, 2023, issued by the Registrar of Companies, (Central Registration Centre) having Registration Number 412051. Later on, April 28, 2023, the running business of the proprietorship concern of our Promoter namely "Royal Traders, PHT & Anaya" was taken-over by the company, along with the assets and liabilities of the proprietorship concern as going concern. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 84 of this Draft Prospectus.

Registered Office: First Floor, Plot No 57, Phase-II, Badli Industrial Area, Badli, Delhi-110042, North West Delhi India;
Tel No.: +91 9205843102 **Website:** www.royalsense.in; **E-mail:** compliance@royalsense.in;
Contact Person: Ms. Priyanka Bhutani, Company Secretary and Compliance Officer;
OUR PROMOTER: MR. RISHABH ARORA.

DETAILS OF THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 14,50,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF ROYAL SENSE LIMITED ("RSL" 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 [•] ("THE ISSUE"), OUT OF WHICH [•] 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 ₹[•] LACS 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 [•] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [•]/- PER EQUITY SHARE AGGREGATING TO [•] IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [•]% AND [•]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO 148 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [•] TIMES OF THE FACE VALUE

This issue is being made through Fixed Price Process in terms of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about 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/DCR2/CIR/P/2019/133 dated November 08, 2019; Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. (For details in this regard, specific attention is invited to "Issue Procedure" beginning on page no. 156 of this Draft Prospectus.)

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is [•] times of face value of the equity share. 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 or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of "Risk factors" beginning on page no. 22 of this Draft Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document 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 make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

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

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED
 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110034, India;
Telephone: 011 4509 8234
Email: ipo@expertglobal.in;
Website: www.expertglobal.in
Investor Grievance Email: compliance@expertglobal.in;
Contact Person: Mr. Gaurav Jain;
SEBI Registration Number: INM000012874
CIN: U74110DL2010PTC205995

BIGSHARE SERVICES PRIVATE LIMITED
Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai -400093
Tel No.: +91 22-62638200;
Fax No.: +91 22-62638299
Website: www.bigshareonline.com
E-Mail: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Mr. Babu Rapheal C.
SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [•]

ISSUE CLOSES ON: [•]

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**SECTION I
DEFINITION AND ABBREVIATIONS**

This Draft 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 Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992("SCRA"), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections "Statement of Tax Benefits", "Financial Information of the Company" and "Main Provisions of the Articles of Association" on 59, 105 and 180 respectively, shall have the meaning ascribed to such terms in such sections.

GENERAL TERMS

Term	Description
"The Company", "Our Company" and "Royal Sense Limited" or "The Issuer" or "ROYAL"	Royal Sense Limited, a Company incorporated in India under the Companies Act, 2013 having its Registered Office at First Floor, Plot No 57, Phase-II, Badli Industrial Area Badli Delhi North West Delhi, Delhi- 110042
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company
"you", "your" or "yours"	Prospective investors in this Issue
Our Promoter	The Promoter of our Company is Mr. Rishabh Arora
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled "Our Promoter and Promoter Group" on page no. 98 of this Draft Prospectus.

COMPANY RELATED TERMS

Term	Description
AOA/ Articles/ Articles of Association	The articles of association of Royal Sense Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Auditors / Statutory Auditors	The Statutory Auditors of our Company, being For M/s TATTVAM & CO., Chartered Accountants (Firm Registration No. 0155048N) having their office at NCT of Delhi.
Audit Committee	The Committee of the Board of Directors constituted on May 12, 2023 as per the provisions of Section 177 of the Companies Act, 2013, as described in "Our Management" on page no. 86 of this Draft Prospectus.
Board of Directors / the Board / our Board	The Board of Directors of Royal Sense Limited, including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled "Our Management" beginning on page no. 86 of this Draft Prospectus.
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Rishabh Arora
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Priyanka Bhutani.
Director(s)	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Group Companies	In terms of SEBI ICDR Regulations, the term "Group Companies" includes companies (other than promoter and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in "GROUP ENTITIES OF OUR COMPANY" on page no. 101 of this Draft Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards

Term	Description
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number i.e. INE0QQG01019
IT Act	The Income Tax Act, 1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page no. 86 of this Draft Prospectus.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on 09 th May, 2023 in accordance with the requirements of the SEBI (ICDR) Regulations.
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 constituted in accordance the Companies Act, 2013
Non- Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	Peer Review Auditor having a valid Peer Review certificate in our case being TATTVAM & CO., Chartered Accountants (Firm Registration No. 0155048N)
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	Our company’s registered office is situated at Plot No. 57, First Floor, Phase-II Badli, Industrial Estate, Badli Ind., Badli (North West Delhi), Delhi-110042
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information Statement	Restated financial statements of our Company which comprise the restated statement of assets and liabilities as at and for the period ended June 30, 2023 and the statement of profit and loss and for the period ended June 30, 2023 and the summary of significant accounting policies, read with annexures and notes thereto and the examination reports thereon and other financial information for the financial years then ended, prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Draft Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time and included in the section titled “Financial Information” on page no. 105 of this Draft Prospectus.
RoC/ Registrar of Companies	Registrar of Companies, NCT of Delhi
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations/ ICDR Regulations/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulation 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.

Term	Description
Regulations	
Stakeholder's Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and the Companies Act, 2013
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub- accounts which are foreign corporate or foreign individuals.
WTD	Whole-Time Director
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(III) of the SEBI ICDR Regulations

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot /Allotment /Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling shareholder pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful applicant to whom the Equity Shares are being/have been allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Draft Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purpose of this Draft Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.
ASBA Account	Account maintained by the Applicant with an SCSB which will be blocked by such SCSB or the account of the RII blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Application Amount of the Applicant
ASBA Application Location (s)/ Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat.
Banker to the Issue and Refund Banker/Public Issue Bank	Banks which are Clearing Members and registered with SEBI as Banker to an Issue and with whom the Public Issue Account will be opened, in this case being [·]
Banker to the Issue Agreement	Agreement dated [·] entered into amongst the Company, Lead Manager, the Registrar to the Issue and the Banker to the Issue/ Sponsor Bank/Refund Bank on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page no. 156 of this Draft Prospectus.
BSE	BSE Limited
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity share

Term	Description
Broker Centers	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the Stock Exchange.
Business Day	Monday to Friday (except public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
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 Applications 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 LM, 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 applicants father/husband, investor status, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries/ Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the 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 Application Forms are available on the websites of the Stock Exchange i.e., www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs and in case of RIIs only ASBA Forms with UPI. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.bseindia.com
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of Which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Prospectus	Draft Prospectus issued in accordance with the SEBI ICDR Regulations.

Term	Description
Eligible NRI(s)	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Draft Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares of the Issuer.
Equity Shares	Equity Shares of our Company of face value ₹10/- each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
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 Draft Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Applicants, whose name appears as the first holder of the beneficiary account held in joint names
Fresh Issue	The Fresh Issue of upto 14,50,000 Equity Shares aggregating [●] by our Company.
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page no. 52 of this Draft Prospectus
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Foreign Portfolio Investor / FPIs	A Foreign Portfolio Investor who has been registered pursuant to the 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
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 notified by SEBI. The General Information Document shall be made available on the websites of the Stock Exchanges, the Lead Manager
Issue / Public Issue / Issue size/ Initial Public Offering/ IPO	The Initial Public Offering of up to 14,50,000 Equity Shares of face value of ₹ 10 each for cash at a price of [●] each, aggregating up to [●], consisting of a Fresh Issue.
GIR Number	General Index Registry Number
Issue Agreement	The Memorandum of Understanding (MoU) dated July 25, 2023, entered amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Opening Date	The date on which the Issue opens for subscription being [●].
Issue Closing Date	The date on which the Issue closes for subscription being [●].
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The price at which the Equity Shares are being issued by our Company being ₹[●]/- per Equity Share
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details, please refer chapter titled “Objects of the Issue” page no. 52 of this Draft Prospectus
Lead Manager/LM	Lead Manager to the Issue, in this case being Expert Global Consultants Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited
Lot Size	The Market lot and Trading lot for the Equity Share is 2000 and in multiples of 2000 Equity Shares thereafter; subject to a minimum allotment of 2000 Equity Shares to the successful applicants

Term	Description
Market Maker	Market Maker appointed by our Company from time to time, in this case being [●] who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹10/- each fully paid for cash at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by the Market Maker.
Minimum Promoter's Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter's contribution of 20% and locked in for a period of three years from the date of listing.
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=ys&int mld=40 or such other website as may be updated from time to time, which maybe used by RIIs to submit Applications using the UPI Mechanism
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Net Issue of [●] equity Shares of face value of ₹ 10/- each fully paid for cash at a price of [●] per Equity Share (the "Issue Price"), share aggregating to [●].
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Net Issue Proceeds and Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page no 52 of this Draft Prospectus.
Non- Institutional Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes Eligible non-resident Indian, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs
Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on October 3, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Issue.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI (ICDR) Regulations, 2021
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made.
Refund Bank(s)	The Bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●] Limited
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar Agreement	The agreement dated August 09, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registered Broker	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.

Term	Description
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Retail Individual Investor(s)/RII(s)	Individual Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to ₹ 2.00 lakhs.
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Issue Closing Date).
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015 issued by SEBI.
Registrar to the Issue /Registrar	The Registrar to the Issue being Bigshare Services Private Limited
SEBI SAST /SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self-Certified Syndicate Bank(s)/SCSB(s)	Banks registered with SEBI, offering services i. in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or such other website as updated from time to time, and ii. in relation to RIIs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&in_tmId=40 or such other website as updated from time to time
SME Exchange	SME Platform of the BSE i.e. BSE SME
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Specified Locations	Centers where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company and the Selling Shareholder, in consultation with the LM's to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [•].
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Transaction Registration Slip / TRS	The slip or document issued by an SCSB (only on demand), Registered Brokers, as the case may be, to the Applicant, as proof of registration of the Application
Underwriter	The underwriter in this case is Expert Global Consultants Private Limited
Underwriting Agreement	The agreement dated [•] entered between the Underwriter, our Company and the Lead Manager
UPI ID	ID created on UPI for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI Circular (SEBI/HO/CFD/DCR2

Term	Description
	/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2 /CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard.
Unified Payment Interface/ (UPI)	UPI is an instant payment system developed by the NPCI
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
UPI PIN	Password to authenticate UPI transaction
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.

INDUSTRY RELATED TERMS

Term	Descriptions
AB-HWCs	Ayushman Bharat-Health and Wellness Centres
AB-PMJAY	Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana
ABHA	Ayushman Bharat Health Account
AE	Advanced Economy
AIIMS	All India Institute of Medical Sciences
ANDAs	Abbreviated New Drug Applications
ARR	Annual Recurring Revenue
ASSOCHAM	Associated Chambers of Commerce and Industry of India
B2B	Business to Business
CDSCO	Central Drugs Standard Control Organisation
CDL	Central Drugs Laboratory
DCGI	Drug Controller General of India
EME	Emerging Market Economies
EDM	Electrical Discharge Machine
FQC	Final Quality Control
GDP	GDP Gross Domestic Product
GVA	Gross Value Added
HNI's	High Networth Individuals
IIP	Index of Industrial Production
ISMR	Indian Council of Medical Research
ISO	International Organization for Standardization
MOHFW	Ministry of Health and Family Welfare
MRP	Minimum Retail Price
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAFDAC	National Agency for Food & Drug Administration
NCAER	National Council of Applied Economic Research
NHM	National Health Mission
PMJAY	Pradhan Mantri Jan Arogya Yojana
PMSSY	Pradhan Mantri Swasthya Suraksha Yojana
WHO	World Health Organization

CONVENTIONAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account

Term	Description
ACS	Associate Company Secretary
AGM	Annual General Meeting
Approx	Approximately
Arbitration Act	Arbitration and Conciliation Act, 1996
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AY	Assessment Year
B. Com	Bachelor of Commerce
Banking Regulation Act	Banking Regulation Act, 1949
B.SC	Bachelor of Science
CA	Chartered Accountant
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
Category- I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CFPI	Consumer Food Price Index
CGST	Central GST
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
C.P.C.	Code of Civil Procedure, 1908
CS & CO	Company Secretary & Compliance Officer
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
COVID - 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPI	Consumer Price Index
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP	Depository Participant, as defined under the Depositories Act 1996
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India earlier known as Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization

Term	Description
ECS	Electronic Clearing System
EGM/ EoGM	Extraordinary General Meeting
ESIC	Employees State Insurance Act, 1948
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations as amended
FTP	Foreign Trade Policy
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations as amended
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FTA	Foreign Trade Agreement.
FV	Face Value
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
GW	Gigawatt
HNIIs	High Networth Individuals
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICAT	International Centre for Automotive Technology
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGST	Integrated Goods and Services Tax Act, 2017
IIE	Indian Institute of Entrepreneurship
IIP	Index of Industrial Production
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offering
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
JV	Joint Venture
KM / Km / km	Kilo Meter
MCA	Ministry of Corporate Affairs, Government of India

Term	Description
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NCT	National Capital Territory
NEFT	National Electronic Fund Transfer
N.I. Act	Negotiable Instruments Act, 1881
NIAIMT	National Institute for Automotive Inspection, Maintenance & Training
NPCI	National Payments Corporation of India
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
OCB	Overseas Corporate Bodies
p.a.	per annum
PE	private equity
PF	Provident Fund
PG	Post Graduate
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLR	Prime Lending Rate
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
PMGK	Pradhan Mantri Garib Kalyan Package
PMI	Purchasing Managers' Index
PPP	purchasing power parity
R&D	research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
R & D	Research and Development
RONW	Return on Net Worth
Rupees / Rs. / ₹/INR	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended

Term	Description
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBILODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015 as amended
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
TDS	Tax Deducted at Source
UGST	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / VentureCapital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India
WDV	Written Down Value
w.e.f.	With effect from
w.r.t.	With respect to
WEO	World Economic Outlook
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, 2018 as amended
WIP	Work in process
WPI	Wholesale Price Index

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

Notwithstanding the foregoing,

- a) *In the section titled "ARTICLE OF ASSOCIATION OF ROYAL SENSE LIMITED" beginning on page 177 of this Draft Prospectus, shall have the meaning given to such terms in that section;*
- b) *In the chapter titled "SECTION IX FINANCIAL INFORMATION" beginning on page 105 of this draft prospectus, shall have the meaning given to such terms in that chapter;*

- c) In the section titled “Risk Factors” beginning on page 22 of this prospectus, shall have the meaning given to such terms in that section;*
- d) In the chapter titled “STATEMENT OF POSSIBLE TAX BENEFITS” beginning on page 55 of this draft prospectus, shall have the meaning given to such terms in that chapter; and*
- e) In the chapter titled “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS” beginning on page 124 of this draft prospectus, shall have the meaning given to such terms in that chapter.*

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY & MARKET DATA AND CURRENCY PRESENTATION

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” in this prospectus are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this prospectus. In this Draft Prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Royal Sense Limited”, unless the context otherwise indicates or implies, refers to “Royal Sense Limited”.

In this prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

In this prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”. In this prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

FINANCIAL DATA

Unless stated otherwise, the financial information in this prospectus are extracted from the restated Financial Statements of our Company for the period ended on June 30, 2023, prepared in accordance with Ind AS and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*FINANCIAL INFORMATION*” beginning on page no. 105 of this draft prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Ind AS and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months’ period ended 31st March of that year. In this prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this prospectus, including in the Sections titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 22, 86 and 124 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this prospectus.

CURRENCY AND UNITS OF PRESENTATION

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America. Our Company has presented certain numerical information in this prospectus in “Lakh” units. One lakh represents 1,00,000. In this prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, Department for Promotion of Industry and Internal Trade, India Brand Equity Foundation (IBEF) and industry publications etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured.

Although, we believe that the industry and market data used in this prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled "Risk Factors" beginning on page no. 22 of this draft prospectus. Accordingly, investment decisions should not be based on such information.

EXCHANGE RATES

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

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

Currency#	As on March		
	31, 2023	31, 2022	31, 2022
1 USD	82.22	75.81	73.50

Source: www.fbil.org.in

All figures are rounded up to two decimals

FORWARD-LOOKING STATEMENTS

This Draft Prospectus includes certain “forward-looking statements”. We have included statements in the Draft 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 statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Prospectus that are not historical facts. However, these are not the exclusive means of identifying 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. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Increased competition in the industry in which we operate;
6. Our ability to grow our business;
7. Factors affecting Healthcare industry
8. Our ability to retain our key managements persons and other employees;
9. Changes in laws and regulations that apply to the industries in which we operate;
10. Company’s ability to successfully implement its growth strategy and expansion plans;
11. Our failure to keep pace with rapid changes in technology;
12. Our ability to maintain our relationships with domestic as well as foreign vendors and their inability to meet our products specifications and supply our products in timely manner;
13. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. Inability to successfully obtain registrations in a timely manner or at all;
15. General economic, political and other risks that are out of our control;
16. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. Any adverse outcome in the legal proceedings in which we are involved;
19. Concentration of ownership among our Promoters.
20. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 22 & 130 respectively. 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 or our Directors or our Officers or Lead Manager or 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 LM 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 DRAFT PROSPECTUS

(A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:

SUMMARY OF OUR BUSINESS

We “RoyalSense” are suppliers of high-quality goods that meet international standards required for hospitals, laboratories, institutions and clinics to provide health services. We trade and offer a wide range of surgical accessories, tools, equipment and other things. The supplied assortment can be modified according to the requirements of the clients and is offered in a wide range of parameters.

We work relentlessly with the right strategy, forward thinking and progressive ethos to position ourselves as the one-stop solution for customers looking to meet their complete needs for medical equipment, surgical instruments, surgical consumables, laboratory equipment, laboratory reagents, medical consumables, diagnostic equipment, sanitary napkins, pharmaceuticals, medicine and cosmetics.

Our company was incorporated in 2023. Prior to the incorporation of the Company, our promoter Rishabh Arora was running the business in the sole proprietorships under the name “M/s Royal Traders, PHT and Anaya”. Later, on April 28, 2023, the ongoing business of the aforesaid proprietorships were acquired by Royal Sense Limited along with the assets and liabilities of the company.

Our promoter was appointed as the managing director of the company and has been taking care of the overall operation and key business decisions of the company since then. With our absolute commitment to quality, careful attention and level of services. Currently in addition, we work tirelessly, which positions us as a one-stop solution for customers to meet their complete requirements for medical equipment, surgical instruments, surgical consumables, laboratory equipment, laboratory reagents, disposable medical supplies and diagnostic kits. We have extended our supply chain through government e-procurement systems, i.e. tender systems / Gem portal.

We supply our products to the Ministry of Health of Various states like Uttar Pradesh, Himachal Pradesh, Rajasthan, Jammu & Kashmir, NCT of Delhi etc. and in domestic market by our self or through distributors/ sub-distributors. Further, we also supply to both to Govt. Institutions and private hospitals in all over India.

For more details, please refer chapter titled “Our Business” beginning on page 68

SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY OPERATES

India is now the limelight for its expertise in some segments of the Surgical Equipment’s sector. Owing to its high growth potential in terms of domestic manufacturing and global exports, the Medical Devices, Surgical Equipment’s and Pharmaceutical Machineries has emerged as the ‘Sunrise Sector’ of India.

The Indian medical devices industry is currently valued at around US\$ 5 billion which is 2% of the US\$ 250 billion industries. The overall healthcare industry in India is valued at USD 90 Billion which is expected to reach US\$ 372 billion by the year 2023. Thus, India’s medical devices, surgical equipment and pharmaceutical industry is poised to grow significantly in the coming years and emerge cost effective supplier of the products to the whole world. The Indian surgical equipment, medical device and pharmaceutical machinery industry is fragmented with close to 1,800 domestic firms who are predominantly MSMEs, primarily competing in the range of low to medium technology products. However, in recent years there has been a paradigm shift in the manufacturing landscape and which now have expanded for producing more cost-effective to number high end products including hi tech R&D and testing in the sector.

For more details, please refer chapter titled “Industry Overview” beginning on page 62.

(B) NAME OF THE PROMOTER OF OUR COMPANY:

Mr. Rishabh Arora is the promoter of our company.

For detailed information on our Promoters and Promoter Group, please refer to section titled “Our Promoters and Promoter Group” on page no. 98 of this Draft Prospectus.

(C) SIZE OF THE ISSUE:

Initial Public Issue of upto 14,50,000 equity shares of face value of ₹10/- each (“Equity Shares”) of Royal Sense Limited (“The Company” or “The Issuer”) for cash at a price of ₹[•]/- per equity share (“The Issue Price”), aggregating to [•] Lakhs (“The Issue”), Out of which [•] equity shares of face value of ₹10/- for cash at a price of ₹[•]/- per equity share aggregating to ₹[•]

Lakhs will be reserved for subscription by the Market Maker to the issue (The “Market Maker Reservation Portion”). The issue less market maker reservation portion i.e., Issue of upto [•] equity shares of face value of ₹10/- each for cash at a price of ₹ [•]/- per equity share, aggregating to [•] is here-in after referred to as the “Net Issue”. The issue and the net issue will constitute [•]% and [•]% respectively of the post issue paid up equity share capital of the company.

For further details, please refer chapter “THE ISSUE” beginning from page no. 31 of this draft prospectus.

(D) OBJECTS OF THE ISSUE:

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Gross Proceeds
1.	Working capital requirement;	600.00	[•]
2.	Issue Expenses	[•]	[•]
3.	General corporate purposes; and	[•]	[•]
	Total Proceeds from the Issue	[•]	[•]

For further details, please refer chapter “OBJECTS OF THE ISSUE” beginning from page no. 52 of this draft prospectus.

(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS DRAFT PROSPECTUS:

Particulars	Pre-Issue Shareholding	
	Numbers of shares	% of Holding
Promoter		
Mr. Rishabh Arora	34,50,140	99.99
Promoter Group		
Mr. Gaurav Arora	1	0.001
Mr. Charan Dev Arora	1	0.001
Ms. Sushma Arora	1	0.001
Ms. Meenakshi Arora	1	0.001
Total	34,50,144	99.99%

(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS:

The details are as follows:

(Rs. In Lacs)

Particulars	For the period April 06, 2023 to June 30, 2023
Paid up Share Capital	345.01
Net worth	395.66
Total Revenue	464.02
Profit after Tax	50.64
Earnings per share (Basic) (Rs.)*	1.47
Earnings per share (Diluted) (Rs.)*	1.47
Net Asset Value per Equity Share (Rs.)	11.47
Total Long-Term borrowings	-

*Not annualized

Below are the Consolidated financials of the proprietorship firm “M/s Royal Traders, PHT and Anaya”

(Rs. In Lacs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Total Revenue from Operation	1150.01	655.64	715.74
Total Expenses	1024.18	636.34	694.31
Profit Before Tax for the year	125.83	19.30	21.43

*M/s Royal Traders, PHT and Anaya was acquired by the Company vide a Business Purchase agreement dated May 05, 2023.

For further details, please refer chapter “SECTION IX FINANCIAL INFORMATION” beginning from page no. 105 of this draft prospectus.

(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENT:

The Restated Financial Statements do not contain any qualifications which have not been given effect in the restated financial statements.

(H) SUMMARY OF OUTSTANDING LITIGATIONS:

A summary of pending legal proceedings and other material litigations involving our Company, Directors and Promoters is provided below:

Nature of Case	Number of cases / Notices issued	Amount involved
Litigations involving our Company		
-Litigation Involving Actions by Statutory/ Regulatory Authorities;	NIL	NIL
-Litigation involving Tax Liabilities;	NIL	NIL
-Proceedings involving issues of moral turpitude or criminal liability on the part of our company;	NIL	NIL
-Proceedings involving Material Violations of Statutory Regulations by our Company;	NIL	NIL
-Matters involving economic offences where proceedings have been initiated against our Company;	NIL	NIL
-Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;	NIL	NIL
Litigation involving our directors cum Promoters (indirect Taxes)	NIL	NIL
Litigation involving our directors other than promoters (direct taxes)	NIL	NIL

For further details, please refer chapter titled “OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS” beginning on Page No. 131.

(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:

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 offering. 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 offered 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 draft prospectus.

(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “RISK FACTORS” beginning on page no. 22 of this Draft Prospectus.)

(J) SUMMARY OF CONTINGENT LIABILITIES:

The Company does not have any contingent liabilities.

(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR PERIOD ENDED JUNE 30, 2023:

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

i. List of Related Parties and Nature of Relationship:

Category	Name	Nature of Relationship
Key Management Personnel (KMP)	Rishabh Arora	Managing director/CFO
	Harmeet Singh	Whole time director
	Gaurav Arora	Director
	Mukta Ahuja	Independent director
	Amit Singh Tomar	Independent director
	Priyanka Bhutani	Company Secretary
Entities in which KMP can exercise significant influence	M/s Arpan Traders	A proprietorship firm controlled by Ms. Meenakshi Arora wife of Mr. Rishabh Arora

Category	Name	Nature of Relationship
	M/s Khaalsa Traders	A proprietorship firm controlled by Ms. Mandeep Kaur wife of Harmeet Singh
	TTG Innovations Private Limited	Mr. Rishabh Arora and Mr. Gaurav Arora hold position as Directors
Relative of KMP	Ms. Meenakshi Arora	Wife of Rishabh Arora
	Mr. Charan Dev Arora	Father of Mr. Rishabh Arora and Mr. Gaurav Arora
	Ms. Sushma Arora	Mother of Mr. Rishabh Arora and Mr. Gaurav Arora
	Ms. Tanvi Arora	Daughter of Rishabh Arora
	Mr. Tanmay Arora	Son of Rishabh Arora
	Ms. Mandeep Kaur	Wife of Mr. Harmeet Singh
	Ms. Paramjeet Kaur	Mother of Mr. Harmeet Singh
	Ms. Jasnoor Kaur	Daughter of Mr. Harmeet Singh
	Ms. Ashneer Kaur	Daughter of Mr. Harmeet Singh
	Mr. Jasmeet Singh	Brother of Mr. Harmeet Singh

(₹ in lakhs)

Related party name	Nature of transaction	For the period ended 30 June 2023
Balance at the end of period		
Rishabh Arora	Salary payable	4.95
M/s Arpan Traders	Sundry debtors	4.72
M/s Khaalsa Traders	Sundry debtors	75.16
TTG Innovations Private Limited	Sundry creditors	11.80
Transactions during the year		
Rishabh Arora	Salary	6.00
Harmeet Singh	Salary	1.50
M/s Arpan Traders	Sales	16.65
M/s Khaalsa Traders	Sales	131.20
TTG Innovations Private Limited	Purchase	25.65

For details, please refer to Section titled "SECTION IX FINANCIAL INFORMATION" beginning on Page No. 105.

(L) DETAILS OF FINANCING ARRANGEMENT:

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

(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:

Weighted average price at which the Equity Shares were acquired by our Promoters in Last one year:

Sr. No.	Name of the Promoter	No. of shares held	Average Cost of Acquisition (In Rs.)
1.	Mr. Rishabh Arora	34,50,140	10

* The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoters to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year.

(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:

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

Sr. No.	Name of the Promoter	No of Equity Shares held	Average cost of Acquisition (in Rs.)*
1.	Mr. Rishabh Arora	34,50,140	10

* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.

(O) DETAILS OF PRE-IPO PLACEMENT

Our Company has not proposed any Pre-IPO placement from the date of this draft prospectus till the listing of the Equity Shares.

(P) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:

Date of Allotment	Number of Equity Shares allotted	Face Price (In ₹)	Issue Price	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
June 15, 2023	34,40,146	10	10	Other Than cash	Mr. Rishabh Arora	-

(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this draft prospectus.

(R) EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI:

The Company has not sought for any exemptions from complying with any provisions of securities laws.

SECTION III

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. prospective investors should carefully consider all the information in this Draft Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 105, 68 & 130 respectively and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved.

Materiality

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

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

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 22 and “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS” beginning on page 124 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Audited Financial Statements, as restated” prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP).

INTERNAL RISK FACTOR

- 1. Our Company has been recently incorporated and post incorporation has taken-over the running business of M/s Royal Traders, PHT and Anaya (Proprietorship firms of our Promoter) thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company was originally incorporated as a public limited Company under the Companies Act, 2013 with Registrar of Companies, Central Registration Centre through a certificate of incorporation dated April 06, 2023. After incorporation, company has acquired the running business of proprietorship firms of our Promoter i.e., M/s Royal Traders, PHT and Anaya for the expansion of the business of our Company. We have very limited operating history as a company from which one can evaluate our business, future prospects and viability. Our future revenues and profitability are difficult to estimate and could fluctuate significantly and as a result the price of our Equity Shares may remain volatile.

The proprietorship concern has retained the growth path in past years, and we will continue to undertake all possible steps towards our growth path, but there is no assurance that this growth will be met successfully in future. In case we are unable to meet the desired growth in revenues and profitability, our results of operations and financial condition will be adversely affected.

2. We depend significantly on customers and their spending in the healthcare industry and any decline in the spending on healthcare infrastructure in India, could adversely affect our business and profitability.

To boost domestic manufacturing of medical devices and attract huge investments in India, the Department of Pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices, with a total outlay of funds worth Rs. 3,420 crore (US\$ 468.78 million) for the period FY21-28.

Any reduction in the budgetary allocation or support by the Central and/or the State Governments may have a significant impact on our business prospects. Our business is directly and significantly dependent on projects awarded by them. In the event of any adverse change in budgetary allocations or a downturn in available work in this sector resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected. Factors that may result in a loss of a client include service of our healthcare products, its performance, reduction in budgets due to macroeconomic factors or otherwise, shift in policies and political or economic factors or changes in their outsourcing strategies. These factors may not be predictable or under our control and any adverse change may affect our operations.

3. We rely on suppliers for medical devices and equipment manufacturers for our trading goods. In case of any disruption in supply of these goods, our business, results of operations and financial condition may be adversely affected.

We rely on suppliers for traded goods like Medical Equipments, Surgical Instruments Surgical Consumables, Laboratory Equipment, Laboratory Reagents, Medical Disposables, Diagnostic equipment etc., with whom we generally do not enter into any long-term supply contract or agreements. The order for the goods placed on requirement basis. In the event that, there are any delays or disruptions in the supply of these goods from our suppliers, our ability to deliver the products may be affected. Any of our supplier's failure to adhere to agreed timelines, whether due to their inability to comply with, or obtain, regulatory approvals, or otherwise, may result in delays and disruptions to our sales, increased costs, delayed payments for our products and damage to our reputation leading to an adverse effect on our results of operations.

In the event any of our supplier cease to be available to us at terms acceptable to us or we experience problems with, or interruptions in, such supplies, and we are unable to find other suppliers to provide similar materials on comparable terms and on a timely basis, our operations may be disrupted and our results of operations and financial condition may be adversely affected.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customer's discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed.

Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Our trade receivable as on June 30, 2023 stood at Rs. 404.25 Lakhs. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. For further details of our business, please refer chapter titled "OUR BUSINESS" beginning on page 68 of this Draft Prospectus.

5. We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business and if we fail to do so in a timely manner or at all and our business, financial conditions, results of operations, and cash flows may be adversely affected.

We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all.

Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For further details of the approvals yet to be obtained by us, and please see the chapter titled “Government and Other Statutory Approvals” beginning on page 134.

6. Quality problems and product liability claims could lead to recalls or safety alerts, reputational harm, adverse verdicts or costly settlements, and could have an adverse effect on our business, results of operations, financial condition and cash flows.

Quality is extremely important to us and our customers due to the impact on patients or due to the serious and potentially costly consequences of product failure. Our business exposes us to potential product liability risks that are inherent in the manufacturing, marketing and use of our products. In addition, some of our products are used in surgical and post-surgical care, with many of our products often used in intensive care settings with seriously ill patients.

Component failures, manufacturing non-conformance, unknown safety, efficacy concerns, unknown side effects, design defects, off-label use, or inadequate disclosure of product-related risks or product-related information with respect to products traded by us, if they were to occur, could result in directly or indirectly, personal injuries or other adverse effects. If any of the aforementioned events were to occur, we may be required to recall and terminate sales of our products. We are exposed to product liability claims in the ordinary course of business. A product liability claim could require us to pay substantial damages. Product liability claims against us, whether or not successful, are costly and time-consuming to defend. Furthermore, concerns of potential side effects could arise among consumers or medical professionals, and such concerns, whether justified or not, could expose us to negative publicity and have an adverse effect on sales of our products and our reputation.

7. The Company is dependent on few numbers of customers and suppliers for sales and purchase from top customers and Top suppliers. Loss of any of these large customer and supplier will significantly affect our revenues and profitability.

Our top 10 customers contribute to 95.40% of our revenue from operations for the period ended June 30, 2023 and our top 10 suppliers contribute to 97.12% of our purchases for the period ended June 30, 2023. The loss of a significant client or supplier would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them.

Furthermore, major events affecting our clients, such as bankruptcy, change of management, mergers and acquisitions could adversely impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, adversely impacting our income and financial condition.

8. We are heavily dependent on our Promoter for the continued success of our business through his continuing services, strategic guidance and support.

We are heavily dependent upon the continued services of our Promoter Mr. Rishabh Arora, along with support of our management team for the continuous success and growth of our organization. Our promoter is responsible for the overall management and execution of our day-to-day business affairs. Also prior to the incorporation and acquisition of the business he was running the business under his proprietorship concern which have been acquired by our Company. The loss of our Promoter or failure to recruit suitable or comparable replacements could have an adverse effect on our business operations and growth strategies. For details of our Promoter, please refer chapter titled “Our Promoter and Promoter Group” beginning on page 98 of this Draft Prospectus.

9. Our operations are geographically located in one area i.e., Delhi NCR and any localized social unrest, natural calamities, etc. could have material adverse effect on business and financial operations.

Our business operated in one area i.e. Delhi NCR. As a result, any localized social unrest, natural calamities, distress or breakdown of services and utilities in and around this region, could have material adverse effect on our business, financial position and results of operations. Further, any continuous addition of similar industries/competitors in and around these areas, without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure and also increase competition in the area, which may affect our business and results of operation.

10. Our net cash flows from operating and investing activities have been negative. Any negative cash flow in the future may affect our liquidity and financial condition.

Our cash flow from our operating and investing activities have been negative in the past. Following are the details of our cash flow position based on restated financial statements are: -

Particulars	For the period 06th April, 2023 to 30th June, 2023
Net Cash flow from operating activities	(224.26)
Net Cash flow from Investing activities	(8.42)
Net Cash flow from Financing activities	344.85

For details, please see the chapter titled “Financial Information of Our Company” on page no. 105 of this Draft Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

Cash flow of a Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and to make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

11. We do not own the registered office and warehouse from which we carry out our business activities. Any dispute in relation to use of the premises would have a material adverse effect on our business and results of operations.

All our existing offices are obtained by us on rent from third parties. For details on the duration of existing rent agreements for our offices, please refer to Chapter titled “Our Business” beginning on page 68 of this Draft Prospectus. In addition, the above rent agreement is required to be registered by payment of stamp duty, which may affect the specific performance or other injunctive procedures in a court of law, and could impair our operations. Further, it may also result in levy of penal charges, in case cognizance being taken by concerned Authorities. In the event that the existing rent agreements are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected.

12. We also sell our products through network of distributors and dealers and any inability to expand or effectively manage our growing distribution and sales network may have an adverse effect on our business, results of operations and financial condition.

In addition to direct sales of our products to end user customers, we also have an extensive sales and distribution network. We are dependent on our channel partners for the distribution of our products. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new distributors targeted at different markets and geographies. We cannot assure you that we will be able to successfully identify and appoint new distributors or effectively manage our existing distribution network. If the terms offered to such distributors by our competitors are more favourable than those offered by us, distributors may decline to distribute our products and terminate their arrangements with us.

13. Our products have Shelf-Life, any inability on our part to deliver our products at the right time in the markets could have a material adverse effect on our business and financial condition.

We are engaged in to dealing in Medical Devices, Surgical Equipment’s and Medicines and same has certain validity before which the same needs to be used and consumed. Hence, we have to ensure that right quantity and quality of our products reach to the consumer in a timely manner. Any interruption in supply of our products to the various markets, due to any reason including those not within our control, could have a material adverse effect on our business, results of operation and financial condition. In particular, if our warehouse facility were to be disrupted as a result of any significant workplace accident, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products.

14. Our inability to maintain an optimal level of Stock for our business may impact our operations adversely.

Our daily operations largely depend on consistent Stock control which is generally dependent on our projected sales in different months of the year. It also largely depends on the forecast and trends for the forthcoming season. An optimal level of Stock is important to our business as it allows us to respond to customer demand effectively and to maintain a range of stock. If we over-stock, our required working capital will increase and if we under-stock inventory, our ability to meet consumer demand and our operating results may be adversely affected. Any mismatch between our planning and the actual off take by customers can impact us adversely.

15. We are in the process of registration of our Product wordmark “ROYAL SENSE” in our name. If we fail to obtain registration our brand building efforts may be hampered which might lead to adverse effect on our business.

Our Company is currently using the wordmark which is applied in the name of promoter of the company and also not yet registered. Application of trademark in the process to registration of the trademark with the respective authorities. If we are unable to get the same registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations. For further details, please refer to section titled “Government and Other Approvals” on page 134 of this Draft Prospectus.

16. Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition.

We are subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, maternity leave, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. If we are unable to remain in compliance with all applicable environmental, health and safety and labour laws, our business, results of operations, cash flows and financial condition may be adversely affected.

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

The market in which our company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. 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.

18. We face competition and may not be able to keep pace with the rapid technological changes in the industry.

The healthcare and medical devices market is competitive and is characterized by rapid technological change. Our customers consider many factors when choosing suppliers, including product reliability, clinical outcomes, breadth of product portfolio, price and product services provided by the manufacturer, product availability and market share can shift as a result of technological innovation and other business factors. Major shifts in industry market share have occurred in connection with product problems, physician advisories and safety alerts, reflecting the importance of product quality in the medical health product industry, and any quality problems with our processes, goods and services could harm our reputation and erode our competitive advantage, sales and market share. Our competition varies by market, geographic areas and type of product.

We compete on the basis of our ability to fulfil our obligations for the secured orders including the quality and the timely delivery of the products. Our competitors may have substantially greater financial, management, research and marketing resources than we have as a result of which they may be able to utilise their resources and economies of scale to develop improved products, divert sales away from us by winning larger orders or they may hire our employees by offering more lucrative compensation packages. Increased competition may also lead to product price erosion as new companies enter the market or modify their existing products to compete directly with us or advanced technologies emerge. Growing competition in the domestic and/or international markets may subject us to pricing pressures and require us to reduce the prices of our products in order to retain or attract customers, which may have an adverse effect on our revenues and margins.

19. We are dependent on our Promoters, management team, a number of Key Managerial Personnel and persons with technical expertise and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

We are dependent on our Promoters, Directors, senior management and other Key Managerial Personnel as well as persons with technical expertise for setting our strategic business direction and managing our business. Experienced Promoters and senior management team with significant experience in the industry lead us. We believe that the inputs and experience of our Promoters are valuable for the development of our business and operations and the strategic directions taken by our Company. We are also dependent on our Key Managerial Personnel including our business heads for the day-to-day management of our business operations. We cannot assure that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and train

experienced, talented and skilled professionals. Competition for individuals with specialized knowledge and experience is intense in our industry. The loss of the services of any key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, as we expect to continue to expand our operations, we will need to continue to attract and retain experienced management personnel. If we are unable to attract and retain qualified personnel, our results of operations may be adversely affected.

20. Major fraud lapses of internal control or system failures could adversely impact the company's business.

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

21. If we are unable to manage our growth effectively, our business, future financial performance and results of operations could be materially and adversely affected.

The success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including capitalise on industry tailwinds, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding, promotional and digital activities and focus on backward integration. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

22. Our Promoters, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced, properties taken on rent by the Company and personal guarantee, if any provided by them to/for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into between our Company and our Promoter Group. For further information, please refer to the chapters titled "Our Business", "Our Promoter and Promoter Group" and "FINANCIAL INFORMATION", beginning on page No. 68, 98 & 105 respectively of this Draft Prospectus.

23. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.

The proposed fund requirement for our business expansion, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "Objects of the Issue" beginning on page 52 of this Draft Prospectus.

24. Our Company has during the preceding time from the incorporation to the date of the Draft Prospectus allotted Equity Shares at a price which is may be lower than the Issue Price.

In the last months, we have made allotments of Equity Shares (other than bonus issue of shares) through right issue of shares to our promoters, which may be lower than the Issue Price. For details relating to number of shares issued, date of allotment etc. please refer to section titled "Capital Structure" on page 43 of this Draft Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Share.

25. Any Penalty or demand raised by statutory authorities in future will affect financial position of our Company.

Our Company is engaged in the trading business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

26. The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency.

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled “Objects of the Issue”. The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 52 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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

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 shareholder’s 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 104 of the Draft Prospectus.

28. 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 Lacs. 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.

29. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our significant shareholders may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

Our promoters along with the promoter group will continue to hold collectively 70.40 % 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 effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters 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. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information, please refer the section titled “Basis for Issue Price” beginning on page 56 of the

Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

32. Certain data mentioned in this Draft Prospectus has not been independently verified.

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

EXTERNAL RISK FACTORS

33. Any changes in the regulatory framework could adversely affect our operations and growth prospects.

Our Company is subject to various regulations and policies. For details see section titled “Key Industrial Regulations and Policies” beginning on page no. 77 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

34. 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 currency exchange 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, investors’ 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 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.

35. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

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

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

37. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

38. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

39. Changes in technology may render our current technologies obsolete or require us to make substantial capital investment.

Our ability to remain competitive may be adversely affected by emerging technologies and our ability to adapt to such changes. Our technology and key infrastructure may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may not have the competitive edge. Although we strive to keep our technology, equipment's and infrastructures in line with the latest technological standards, we may be required to implement new technology or upgrade the equipment's employed by us. Further, to mitigate the risk company has taken third party software for maintaining all the technology in the company and that third-party software are regularly being checked for the best of available in the market and latest technology can be updated. The costs in upgrading our technology and modernizing the equipment's are significant which could substantially affect our finances and operations.

**SECTION IV
INTRODUCTION
THE ISSUE**

This Initial Public Offer has been authorized pursuant to a resolution of our Board of Directors held on July 24, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting of the members held on July 25, 2023.

The following is the summary of the Issue:

PARTICULARS	DETAILS
Equity Shares Offered through Public Issue ⁽¹⁾	Upto 14,50,000 Equity Shares of face value of ₹10.00/- each for a cash at a price of ₹ [●] aggregating to ₹ [●] Lakhs.
<i>Out of which:</i>	
Market Maker Reservation Portion	[●] Equity Shares of face value of ₹10.00/- each for a cash at a price of ₹ [●] aggregating to ₹ [●] Lakhs.
Net Issue to the Public	Upto [●] Equity Shares of face value of ₹10.00/- each for a cash at a price of ₹ [●] aggregating to ₹ [●] Lakhs.
<i>Out of which:</i>	
Allocation to Retail Individual Investors for up to ₹ 2.00 lakh	Upto [●] Equity Shares of face value of ₹10.00/- each for a cash at a price of ₹ [●] aggregating to ₹ [●] Lakhs
Allocation to other investors for above ₹ 2.00 lakh	Upto [●] Equity Shares of face value of ₹10.00/- each for a cash at a price of ₹ [●] aggregating to ₹ [●] Lakhs
Pre- and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	34,50,146 Equity Shares of face value of Rs 10/- each fully paid-up
Equity shares outstanding after the Offer	49,00,146 Equity Shares of face value of ₹ 10/- each fully paid-up
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 52 of this Draft Prospectus.

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

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) 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.
- 3) Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
 - (a) minimum 50.00% fifty per cent to retail individual investors; and
 - (b) remaining to:
 - (i) Individual applicants other than retail individual investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

If the retail individual investor category is entitled to more than the allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage. For further details, please refer to the chapter titled “Issue Structure” beginning on page no 153 of this Draft Prospectus.

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 153 and 156, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 148.

SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(in Lakhs)

Particulars		As at 30 June 2023
I.	EQUITY AND LIABILITIES	
(1)	Shareholders' Funds	
	(a) Share Capital	345.01
	(b) Reserves and Surplus	50.64
(2)	Non-current Liabilities	
	(a) Deferred tax liability (net)	0.10
(3)	Current liabilities	
	(a) Short term borrowings	27.13
	(b) Trade payables	182.11
	(c) Other current liabilities	26.18
	Total	631.18
II.	ASSETS	
(1)	Non-current assets	
	(a) Property, Plant and Equipment and Intangible assets	
	(i) Property, Plant and Equipment	3.68
	(ii) Intangible assets	0.22
	(b) Non-current investments	4.45
	(c) Other non-current assets	1.85
(2)	Current assets	
	(a) Inventories	70.37
	(b) Trade receivables	404.25
	(c) Cash & cash equivalents	112.16
	(d) Other current assets	34.20
	Total	631.18

RESTATED STATEMENT OF PROFIT AND LOSS
(in Lakhs except EPS)

	Particulars	For the period 6 April 2023 to 30 June 2023
I.	Revenue from operations	464.02
II.	Other income	0.03
III.	Total income (I + II)	464.05
IV.	Expenses	
(a)	Purchase of stock in trade	445.37
(b)	Changes in inventories	(70.37)
(c)	Employee benefits expense	10.16
(d)	Finance costs	0.16
(e)	Depreciation	0.11
(f)	Other expenses	10.18
	Total Expenses	395.61
V.	Profit before Exceptional and Extraordinary Items and Tax (III - IV)	68.43
VI.	Exceptional Items	-
VII.	Profit before extraordinary items and tax	68.43
IX.	Profit before tax (VII-VIII)	68.43
X.	Tax expense :	
	(i) Current tax	17.69
	(ii) Deferred tax	0.10
XI.	Profit/ (Loss) from the period from continuing operations (IX - X)	50.64
XII.	Profit/ (Loss) from discontinuing operations	-
XIII.	Tax expense of discounting operations	-
XIV.	Profit/(Loss) from Discontinuing operations	-
XV.	Profit/ (Loss) for the period (XI + XIV)	50.64
XVI.	Earnings per equity shares (of Rs. 10/- each)	
	(i) Basic	1.47
	(ii) Diluted	1.47

ANNEXURE- 3- RESTATED STATEMENT OF CASH FLOWS
(in Lakhs except EPS)

Particulars	For the period 6 April 2023 to 30 June 2023
<u>Cash flow from operating activities:</u>	
Net Profit before tax	68.43
Adjustments for:	-
Interest expenditure	0.16
Interest income	(0.03)
Depreciation	0.11
Operating Profit before Working Capital Changes	68.68
Adjustments for :	
(Increase)/Decrease in Inventories	(70.37)
(Increase)/Decrease in Trade Receivables	(404.25)
(Increase)/Decrease in other non current assets	(1.85)
(Increase)/Decrease in Other Current Assets	(34.20)
Increase/(Decrease) in Trade Payables	182.11
Increase/(Decrease) in Short term borrowings	27.13
Increase/(Decrease) in Other Current Liabilities	8.49
Net Cash flow from/ (used in) Operating Activities (A)	(224.26)
<u>Cash flow from Investing Activities :</u>	
Purchase of Fixed Assets	(4.00)
Interest income on fixed deposits	0.03
Investment in fixed deposit	(4.45)
Net cash flow from/ (used in) investing activities (B)	(8.42)
<u>Cash flow from financing activities</u>	
Proceeds from Issue of Share Capital	345.01
Finance cost paid	(0.16)
Net cash flow from/ (used in) financing activities (C)	344.85
Net increase/(decrease) in cash and cash equivalents (A+B+C)	112.16
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the closing of the period	112.16

a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note 15) :

Particulars	For the period 6 April 2023 to 30 June 2023
Cash in hand	2.55
Balances with banks	-
Current Account With Banks	109.61
	112.16

**SECTION V
GENERAL INFORMATION**

Our Company was incorporated as ‘Royal Sense Limited’ under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated April 06, 2023, issued by the Registrar of Companies, Central Registration Centre having CIN as U21006DL2023PLC412051. Later, on April 28, 2023, the running business of the proprietorship concern of our Promoter namely “M/s Royal Traders, M/s PHT & M/s Anaya” was acquired by the company, along with the assets and liabilities of the proprietorship concern as going concern.

For further details, please refer to chapter titled “*History and Corporate Structure*” beginning on page 84 of this Draft Prospectus.

BRIEF INFORMATION ON COMPANY AND ISSUE PROGRAMME

CIN	U21006DL2023PLC412051
Company	ROYAL SENSE LIMITED
ROC Code	ROC-Delhi
Registration Number	412051
Company Category	Company limited by Shares
Company Sub Category	Non-Govt. Company
Email Id	compliance@royalsense.in
Website	https://www.royalsense.in
Class of Company	Public
Date of Incorporation	06/04/2023
Registered Address	First Floor, Plot No 57, Phase-II, Badli Industrial Area Badli (North West Delhi) Delhi North West Delhi 110042 INDIA
Company Secretary and Compliance Officer	Ms. Priyanka Bhutani

ISSUE PROGRAMME

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

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

REGISTRAR OF COMPANIES

REGISTRAR OF COMPANIES, DELHI
 Registrar of Companies, 4th Floor, IFCI Tower, 61,
 Nehru Place, New Delhi – 110019
 Tel: 011-26235703, 26235708
 E-mail: roc.delhi@mca.gov.in
 Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE Limited.
 “BSE SME”
 Phiroze Jeejeebhoy Towers
 Dalal Street, Mumbai- 400001
 Tel No.: 91-22-22721233/4
 Website: www.bseindia.com

BOARD OF DIRECTORS

Name	DIN	Address	Designation
Mr. Rishabh Arora	09745543	B-7/189, Sector-4 Rohini Delhi 110085	Managing Director
Mr. Gaurav Arora	09147720	B-7/189 Sector-4, Rohini North West Delhi 110085	Non-Executive (Non-Independent) Director
Mr. Harmeet Singh	10103440	150, Punjabi Colony, Narela, Delhi	Whole time Director
Mr. Amit Singh Tomar	10063772	76, Hanspur, Hanspuram, Near Hanspuram Police Chauki Naubast A, Kumhau Pur Kanpur Nagar Uttar Pradesh 208021	Independent Director
Ms. Mukta Ahuja	10160572	H.NO-5 E-6 B P, Opposite Dargah Mandir, N I T 5 Faridabad Haryana 121001 Enclaves, Shakarpur, Delhi-110092	Independent Director

For further details in relation to our directors, please refer to chapter titled “Our Management” on page 86 of this Draft Prospectus.

CHIEF FINANCIAL OFFICER

Mr. Rishabh Arora
 First Floor, Plot No 57, Phase-II, Badli Industrial Area,
 Badli (North West Delhi) Delhi 110042 INDIA
 Tel No.: +91 9205843102
 Email: cfo@royalsense.in
 Website: <https://www.royalsense.in/>

INVESTOR GRIEVANCES

Investors can contact the Company Secretary and Compliance Officer, the LM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

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

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY:

Lead Manager of the Issue	Registrar to the Issue
Expert Global Consultants Private Limited 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110 034, India Telephone: 011 4509 8234 Email: ipo@expertglobal.in Website: www.expertglobal.in Investor Grievance Email: compliance@expertglobal.in Contact Person: Mr. Gaurav Jain SEBI Registration Number: INM000012874 CIN: U74110DL2010PTC205995	Bigshare Services Private Limited S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra Telephone: +91 22 6263 8200 Fax: +91 22 6263 8299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Babu Rapheal Website: www.bigshareonline.com SEBI Registration Number: INR000001385
Legal Advisor to the Issue	Statutory Auditors
Mr. Parvinder Nautiyal 57A, Om Vihar Phase-III, Uttam Nagar, Delhi-110059 Enrollment No.: D/958/2020 Tel: +91 8882017384 Email: adv.parvindra@gmail.com	TATTVAM & CO. D-2c, 2nd Floor, Pitampura, Metro Pillar No. 355, New Delhi-110034 Telephone: +91 9650777079; Email: mail@tattvamgroup.in; Website: www.tattvamandco.com; Contact Person: Gaurav Saraf; Firm Registration: 015048N; Membership Number: 535309; Peer Review Number: 012129
Bankers to the Company	Bankers to the Issue/Sponsor Bank
Bank of Maharashtra Ground Floor, KP-27, Community Centre, Pitampura, New Delhi-110034; Website: https://bankofmaharashtra.in/ Contact Person: Deepak Antil Designation: Branch Manager Contact Number: 8928594439; Email id: bom1356@mahabank.co.in	[•]

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Expert Global Consultants Private Limited is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

DESIGNATED INTERMEDIARIES:
Self-Certified Syndicate Banks (SCSB's)

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

Syndicate SCSB Branches

In relation to ASBA Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, refer to the above mentioned SEBI link.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI:

(<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and email address, is provided on the website of SEBI:

(<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) respectively as updated from time to time.

Collecting Depository Participants

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

CREDIT RATING

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

IPO GRADING

Our Company has not obtained any IPO grading for this issue from any credit rating agency.

DEBENTURE TRUSTEES

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

MONITORING AGENCY

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

FILING OF THE DRAFT PROSPECTUS/ PROSPECTUS

The Draft Prospectus and Prospectus shall be filed on BSE SME Platform BSE SME.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Prospectus has not been submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 and Section 28 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Delhi, Registrar of Companies, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019 at least (3) three working days prior from the date of opening of the Issue.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, and through the Fixed Price Process wherein 50.00% (Fifty Percent) of the Net Issue to public is being offered to the Retail Individual Investors and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants.

However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price. Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors category where Allotment to each Retail Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from

any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

APPRAISING ENTITY

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

TYPE OF ISSUE

The present Issue is considered to be Fixed Price Issue.

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within one (1) day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from SME Platform of BSE Limited (SME Platform), which our Company shall apply for after Allotment. If our Company \ withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

EXPERT OPINION

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

Except for the reports in the section "Financial Information of the Company" and "Statement of Tax Benefits" on page 105 and 55 respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term "Expert" as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

CHANGES IN AUDITORS

Our Company has appointed TATTVAM & CO., Chartered Accountants, as its first statutory auditors on April 20, 2023 since inception.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten by Expert Global Consultants Private Limited in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated [●], 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 offered through this Issue:

Details of the Underwriter	No. of Equity Shares Underwritten	Amount Underwritten	% of total Offer size underwritten
Expert Global Consultants Private Limited 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110 034, India Telephone: 011 4509 8234 Email: ipo@expertglobal.in Website: www.expertglobal.in Investor Grievance Email: compliance@expertglobal.in Contact Person: Mr. Gaurav Jain SEBI Registration Number: INM000012874 CIN: U74110DL2010PTC205995	Up to 14,50,000	[●]	
Total	Up to 14,50,000	[●]	

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

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

MARKET MAKER

[●]

DETAILS OF THE MARKET MAKING AGREEMENT

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

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

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

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

- ❖ The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- ❖ The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE SME Platform and SEBI from time to time.
- ❖ The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●]/- per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
- ❖ After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares

ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

- ❖ There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- ❖ On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
- ❖ 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.
- ❖ The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME Platform from time to time.
- ❖ Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- ❖ There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- ❖ The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME Platform and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- ❖ 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.
- ❖ The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- ❖ The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
- ❖ In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
- ❖ Risk containment measures and monitoring for Market Maker: BSE SME Platform BSE SME 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. BSE can impose any other margins as deemed necessary from time-to-time.
- ❖ Punitive Action in case of default by Market Maker: BSE SME Platform BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. 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.
- ❖ 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 Rs.250 Crores, the applicable price bands for the first day shall be:

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

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

- ❖ The following spread will be applicable on the BSE SME:

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1.	Upto 50	9%
2.	50 to 75	8%
3.	75 to 100	6%
4.	Above 100	5%

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

Issue Size	Buy quote exemption threshold (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/ BSE from time to time.
- ❖ All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
- ❖ On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

**SECTION VI
CAPITAL STRUCTURE**

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Prospectus.:

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	Authorized Share Capital 50,00,000 Equity Shares of ₹ 10/- each	500.00	-
B.	Issued, Subscribed & Paid-up Share Capital prior to the Issue** 34,50,146 Equity Shares of ₹10/- each	345.014	-
C.	Present Issue in terms of this Draft Prospectus* [●] Equity Shares of ₹ 10/-each for cash price at a price of ₹ [●] per share	[●]	[●]
	<i>Which comprises of:</i>		
D.	Reservation for Market Maker Portion [●] Equity Shares of ₹ 10/-each for cash price at a price of ₹ [●] per share	[●]	[●]
E.	Net Issue to Public [●] Equity Shares of ₹10/- each for cash price at a price of ₹ [●] per share, <i>Out Of which:</i>	[●]	[●]
	[●] Equity Shares of ₹10/- each for cash price at a price of ₹ [●] per share will be available for allocation to Retail Individual Investors	[●]	[●]
	[●] Equity Shares of ₹10/- each for cash price at a price of ₹ [●] per share will be available for allocation to Non-Institutional Investors	[●]	[●]
F.	Issued, Subscribed and Paid up Equity Share Capital after the Issue		
	49,00,146 Equity Shares of face value of ₹10/- each	490.01	
G.	Securities Premium Account		
	Before the Issue	Nil	
	After the Issue	[●]	

* The present Issue has been authorized pursuant to a resolution of our Board dated, July 24, 2023 and a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated July 25, 2023 under Section 62(1)(c) of the Companies Act, 2013.

**Our Company has only one class of share, i.e., Equity Shares having face value of ₹10/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this draft prospectus.

Classes of Shares

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

NOTES TO THE CAPITAL STRUCTURE

a. Details of changes in Authorized Share Capital of our Company since incorporation:

Sr. No.	Particulars of Increase in Share Capital	Authorized Share Capital (₹)	Date of Meeting	Whether AGM/EGM
1.	Incorporated with an Authorized Share Capital of ₹10,00,000 comprising of 1,00,000 Equity Shares of Face Value of ₹ 10/- each	₹ 10,00,000	-	On Incorporation
2.	Increase in Authorised Share Capital from 1,00,000 Equity Share of face value of ₹10 each to ₹ 50,00,000 Equity Shares of face value of ₹10 each	₹5,00,00,000	April 19, 2023	EGM

b. Equity Share Capital History:

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

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of		Paid up Capital
				Allotment	Consideration	
On Incorporation	10,000	10	10	Subscription to MOA ⁽¹⁾	Cash	1,00,000
June 15, 2023	34,40,146	10	10	Allotment pursuant to the Acquisition of proprietorships of Promoter i.e. M/s Anaya, M/s PHT and M/s Royal Traders	Other than Cash	3,44,01,460

(1) Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares of face value of Rs. 10/- each fully paid up as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Rishabh Arora	9,994
2.	Mr. Gaurav Arora	1
3.	Mr. Harmeet Singh	1
4.	Mr. Charan Dev Arora	1
5.	Ms. Sushma Arora	1
6.	Mr. Vipin Pratap Singh	1
7.	Ms. Meenakshi Arora	1
	Total	10,000

(2) Allotment pursuant to the acquisition of proprietorships of Promoter I.e. M/s Anaya, M/s PHT and M/s Royal Traders Equity Shares of Face Value of Rs.10/- each fully paid up, details of which are given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Rishabh Arora	34,40,146
	Total	34,40,146

As on the date of this Draft Prospectus, our Company does not have any Preference Share Capital.

c. Issue of Equity Shares for consideration other than cash–

As on the date of this draft prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.

Date of Allotment	Number of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Reason for Allotment	Allottees	Number of shares Allotted
June 15, 2023	34,40,146	10	10	Allotment pursuant to the Acquisition of proprietorships of Promoter M/s Royal Traders, M/s Anaya and M/s PHT	Mr. Rishabh Arora	34,40,146

d. Revaluation of our assets:

We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves

e. If shares have been issued in terms of any scheme approved under section 230-234 of the Companies Act, 2013: Our Company has not issued any Equity Shares in terms of any scheme approved under section 230-234 of the Companies Act, 2013.

f. If shares have been issued under one or more employee stock option schemes: Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.

- g. Issue of Equity Shares in the last one year below the Issue Price:**
Except as mentioned above, our company has not issued equity shares at a price lower than the issue price of ₹ [•]/- each during the preceding one year from the date of this draft prospectus.

h. Shareholding Pattern of our Company

Category (I)	Category of Shareholder (II)	No. of Shareholders. (III)	No of fully paid up equity shares held. (IV)	No of partly paid up equity shares held. (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR, 1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI=VII +X)	Number of Locked in shares (XII)		No. of shares Pledged Or Otherwise Encumbered (XIII)		No. of Equity shares held in De-mat Form (XIV)
								Nos of voting Rights	Total as % of (A+B+C)			Nos of shares held (a)	As % of total number of shares held (b)	Nos of shares held (a)	As % of total number of shares held (b)	
A.	Promoter	1	34,50,140	-	-	34,50,140	99.99%	34,50,140	99.99%	-	-	-	-	-	-	34,50,140
B.	Promoter Group	4	4	-	-	4	-	4	-	-	-	-	-	-	-	4
C.	Public	2	2	-	-	2	-	2	-	-	-	-	-	-	-	2
D.	Non-Promoter Non-Public															
D 1	Shares Underlying DRs															
D 2	Shares held by Employee Trusts															
	Total	7	34,50,146			34,50,146		34,50,146	100.00%							34,50,146

As on date of this draft prospectus, 1 Equity share holds 1 vote.

As on date, we have only one class of Equity Shares of face value of Rs. 10/- each.

All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on SME Platform of BSE Limited.

In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are dematerialized.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE Limited before commencement of trading of such Equity Share.

i. Details of Allotment made in the last two years preceding the date of Draft Prospectus:

Except as mentioned in point 2 above, we have not issued any Equity Share in the last two years preceding the date of Draft Prospectus.

i) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at-least 80% of capital of our Company as on the date of the Draft Prospectus:

Sr. No.	Name of Shareholders	No. of Equity Shares	% of Pre-Issued Capital
1.	Mr. Rishabh Arora	34,50,140	99.99
Total		34,50,140	99.99

ii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at-least 80% of capital of our Company as on a date 10 days before the date of the Draft Prospectus:

Sr. No.	Name of Shareholders	No. of Equity Shares	% of Pre-Issued Capital
1.	Mr. Rishabh Arora	34,50,140	99.99
Total		34,50,140	99.99

iii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 1 (one) year before the date of the Draft Prospectus:

Our Company incorporated on April 06, 2023 viz. less than one year prior to the date of filing of the Draft Prospectus. Hence, requirement of disclosing the list of shareholders prior to one year from the date of filing of the Draft Prospectus, is not applicable on us.

iv) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at-least 80% of capital of our Company as on a date 2 (two) year before the date of the Draft Prospectus:

Our Company incorporated on April 06, 2023 viz. less than one year prior to the date of filing of the Draft Prospectus. Hence, requirement of disclosing the list of shareholders prior to one year from the date of filing of the Draft Prospectus, is not applicable on us.

j. Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

k. Details of Shareholding of our Promoters and members of the Promoter Group in the Company:

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this draft prospectus, our Promoter hold 34,50,140 Equity Shares, which constitutes approximately 99.99% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately [•]% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Name of the Shareholder	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	% Holding	Number of Shares	% Holding
Promoter (Rishabh Arora)	34,50,140	99.99%	34,50,140	[•]
Promoter Group	4	-	[•]	[•]
Pre-IPO Public	2	-	[•]	[•]
IPO-Public	-	-	[•]	[•]
Total	34,50,146	100.00%	[•]	[•]

All Equity Shares held by the Promoters and members of Promoter Group have been dematerialized as on date of this Draft Prospectus;

(a) Build-up of the Promoter shareholding in our Company

Set forth below is the build-up of the equity shareholding of our Promoter since the incorporation of our Company.

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Transaction	Pre-issue Share Holding %	Post-issue Share Holding%
06-04-2023	9,994	10	Cash	Cash	0.99	[•]
15-06-2023	34,40,146	10	Other than cash	Allotment pursuant to the Acquisition of proprietorships M/s Anaya, M/s PHT and M/s Royal Traders	99.00	[•]

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged;

(b) The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.

(c) All the shares held by our Promoters were fully paid-up.

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

vi) Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

vii) There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchanges.

viii) Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoter shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Prospectus, our Promoter hold 34,50,140 Equity Shares constituting 70.41 % of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

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

Date of allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
[•]	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]
Grand Total	[•]	[•]	[•]	[•]	[•]

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

- Equity Shares acquired three years preceding the date of this Draft Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoter's Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in this Issue is not part of the minimum promoter's contribution.
- The Equity Shares held by the Promoter's and offered for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.
- The Equity Shares in Promoter's Contribution does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

Specific written consent has been obtained from the Promoters for inclusion of [•] Equity Shares for ensuring lock-in of three years to the extent of minimum 20.01% of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.

Equity Shares locked-in for one year other than Minimum Promoter's Contribution

Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

Inscription or recording of non-transferability

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

Pledge of Locked in Equity Shares

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

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

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

Transferability of Locked in Equity Shares

- a. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- b. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

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

(in Rs.)

Name of the Promoters	No. of Shares held	Average cost of Acquisition
Mr. Rishabh Arora	34,50,140	10

ix) None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	No. of Equity Shares Held
Mr. Rishabh Arora	34,50,140
Mr. Harmeet Singh	1
Mr. Gaurav Arora	1

- x) There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/ Promoters/ Directors/ Lead Manager for purchase of Equity Shares offered through this Draft Prospectus.
- xi) As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
- xii) Except, as otherwise disclosed in the chapter titled "*Objects of the Issue*" beginning on page 52 we have not raised any bridge loans against the proceeds of the Issue.
- xiii) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "*BASIS OF ALLOTMENT*" beginning on page 162.
- xiv) The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
- xv) Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Draft Prospectus except as disclosed in this chapter.
- xvi) In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
- xvii) Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and BSE Limited.
- xviii) As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10.00% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10.00% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20.00% of the post issue paid-up capital is locked-in.
- xix) The Issue is being made through Fixed Price Method.
- xx) As on date of filing of this Draft Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
- xxi) On the date of filing this Draft Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- xxii) Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
- xxiii) Lead Manager to the Issue viz. Expert Global Consultants Private Limited and its associates do not hold any Equity Shares of our company.
- xxiv) Our Company has not revalued its assets since incorporation.
- xxv) Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
- xxvi) There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
- xxvii) Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- xxviii) There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
- xxix) Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity

Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

- xxx) Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
- xxxi) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- xxxii) Our Promoters and the members of our Promoter Group will not participate in this Public Issue.
- xxxiii) Except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository.
- xxxiv) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- xxxv) Our Company has Seven (07) shareholders as on the date of filing of this Draft Prospectus.
- xxxvi) As per RBI regulations, OCBs are not allowed to participate in this Issue.
- xxxvii) There are no safety net arrangements for this Public Issue.

**SECTION VII
PARTICULARS OF THE ISSUE
OBJECTS OF THE ISSUE**

Our Company proposes to utilize the proceeds from the issue towards funding the following objects and achieve the benefits of listing on SME platform of BSE Limited including enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

We intend to utilize the proceeds of the Issue to meet the following objects:

1. Working capital requirement;
2. Issue Expenses;
3. General corporate purposes; and

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

The main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue for which working capital requirement, investments in subsidiaries for business expansion and part repayment of debt from the Net Proceeds were utilized.

Utilization of Proceeds of IPO

The details of utilization of Proceeds are as per the table set forth below:

(in Lakhs)

Sr. No.	Particulars	Amount	% of Gross Proceeds
1.	Working capital requirement;	600.00	[•]
2.	Issue Expenses	[•]	[•]
3.	General corporate purposes; and	[•]	[•]
	Total Proceeds from the Issue	[•]	[•]

**Subject to finalization of basis of allotment*

Note: The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Issue.

Means of Finance

(in Lakhs)

Particulars	Amount*
Gross Proceeds for this Issue	[•]
Less: Issue Expenses	[•]
Net Proceeds from the Issue	[•]

**Subject to finalization of basis of allotment*

Since, the entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions of the business and industry and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. Any change in such factors may require the Company to reschedule/ revise the planned expenditure by increasing/ decreasing the allocation for a particular purpose from the planned expenditure.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time, and consequently, our funding requirement and deployment of funds may also change. In accordance with the policies of our Board, our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Proposed Schedule of Implementation and Deployment of Funds

The fund deployment indicated above is based on current circumstances of our business and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws. For further details, see "*Object of the Issue*" on page 52 of this Draft Prospectus, and "*Risk Factors*" on page 22 of this Draft Prospectus.

If the actual utilisation towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be

used towards any other Object including general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may explore a range of options including utilising our internal accruals, any additional equity or debt arrangements or both. We believe that such alternate arrangements would be available to fund any such shortfalls.

DETAILS OF THE OBJECTS OF THE ISSUE:

Net Proceeds of IPO

1. Working Capital Requirements:

Currently, we fund our working capital requirements in the ordinary course of our business through bank finances and internal accruals. Our company aim is to open outlets through tender mechanism across India. We are offering various products to our esteemed customers and private clinic doctors or hospitals etc. The details of our Company's working capital requirement for the period ended June 30, 2023 (Audited), FY 2024 (Projected) and FY 2025 (Projected) are as follows:

(Amount in INR Lacs)

Particulars of Assets / Liabilities	Re-Stated	Projected	Projected
	For the Period ended 30, June 2023	FY 2024	FY 2025
Current Assets			
Bank and Cash Balance	112.16	190.93	80.89
Inventories	70.37	700.00	1,050.00
Trade Receivables	404.25	583.33	875.00
Loans and Advances and Other Current Assets	34.20	41.04	61.56
Total (A)	620.98	1,515.30	2,067.45
Current Liabilities			
Trade Payables	182.11	233.33	350.00
Other Current Liabilities and Provisions	53.31	10.12	14.49
Total (B)	235.42	243.45	364.49
Net Working Capital (A)-(B)	385.56	1,271.85	1,702.96
Incremental working capital	385.56	886.29	431.11
<u>Sources of Working Capital:</u>			
Working capital funding from banks	0	0	0
Internal accruals	385.56	286.29	431.11
Funding from Net IPO Proceeds	0	600	0

The working capital details for the period ended June 30, 2023 and source of funding has been certified by our statutory auditor, M/s TATTVAM & Co., Chartered Accountants pursuant to their certificate dated August 01, 2023.

On the basis of our existing working capital requirements, our Board pursuant to its resolution dated August 01, 2023 has approved the estimated and projected working capital requirements for Fiscal 2024 and 2025.

BASIS OF ESTIMATION

The incremental working capital requirements are based on the business plan approved by the board of directors in the board meeting held on August 01, 2023. Accordingly, we have estimated increase in Margin Money, Trade Receivables, Loans and advances including security deposits and decrease in trade payables and other current liabilities.

Assumption for future working capital requirements:

(No. of Days)

Particulars	For the Period ended June 30, 2023 (Restated)	As on March 31, 2024 (Estimated)	As on March 31, 2025 (Estimated)
Trade Receivables	73	60	60
Trade Payables	34	30	30
Inventories	13	90	90

Justification for “Holding Period” levels:

Trade Receivables	The historical holding days of Trade receivable (calculated as closing trade receivables divided by Revenue from operations) has been 73 days for audited period from April 06, 2023 to June 30, 2023 and estimated 60 days for the period from July 01, 2023 to March 31, 2024 and 60 days for the Fiscal Year 2024-2025. As per current credit terms of company and previous trends of the similar business the holding period of Trade receivables is estimated.
Trade Payables	The historical holding days of Trade payable (calculated as closing trade payable divided by cost of goods sold) has been 34 days for audited period from April 06, 2023 to June 30, 2023 and estimated 30 days for the period from July 01, 2023 to March 31, 2024 and 30 days for the Fiscal Year 2024-2025. Company is estimating to reduce holding of trade payable by availing discount as well as purchase price to increase profitability of the company.
Inventories	The historical holding days of Inventory (calculated as closing inventory divided by cost of goods sold) has been 13 days for audited period from April 06, 2023 to June 30, 2023 and estimated 90 days for the period from July 01, 2023 to March 31, 2024 and 90 days for the Fiscal Year 2024-2025. It seems to be reasonable looking into nature and volume of business activity.

2. Estimated Issue Related Expenses

The details of the estimated issue related expenses are tabulated below:

(₹ in Lakhs)

Activity	Amount	As a % of	
		Gross Issue Expenses	Net Issue Expenses
Lead manager(s) fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling commission and upload fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of offer stationary	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

The fund deployed out of internal accruals up to July 31, 2023 were ₹9.06 Lakhs towards issue expenses vide certificate dated August 01, 2023 received from M/s TATTVAM & CO., Chartered Accountants and the same will be recouped out of issue expenses.

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

- SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.
- Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.
- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.
- Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

3. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating to [●] Lakhs for General Corporate Purposes as decided by our board, we have flexibility in applying the remaining proceeds after meeting issue expenses for general corporate purpose including but not restricted to, meeting operating expenses, repayment of the borrowings, meeting working capital requirements including payment of interests, 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 purpose as approved by our board of directors, subject to compliance with the necessary provisions of the Companies Act.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object, i.e., the utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

BRIDGE LOANS

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

MONITORING OF UTILIZATION OF FUNDS

As this is a Fresh Issue for less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

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

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business.

INTERIM USE OF FUNDS

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

VARIATION IN OBJECTS

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a 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 our 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 above stated proposal, at a price as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER'S GROUP FROM THE IPO PROCEEDS

There is no proposal whereby any portion of the Net Proceeds will be paid to Our Promoters, Promoter Group, Directors and Key Managerial Personnel, Group Companies, except in the ordinary course of business. Further, there are no existing or anticipated transactions in relation to the utilization of the Net Proceeds entered into or to be entered into by our Company with Our Promoters, Promoter Group, Directors Group Companies, and/or Key Managerial Personnel.

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Our Business” and its financial statements under the section titled “Financial Information of the Company” beginning on page 22, 68 and 105 respectively of the Draft Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue price will be determined by our Company, in consultation with the Lead Manager, and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10.00 each and the Issue Price is [●] times the face value.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry and the following are our primary competitive strength:

1. Experience of our Promoter and core management team
2. We offer a diversified range of products
3. Existing well established reputation and customer relationships
4. Cost competitiveness and time bound delivery
5. Stable financial performance with improved margins

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Our Business” beginning on page 68 of this Draft Prospectus.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see Restated Financial Information and ‘Other Financial Information’ on pages 105, respectively, of this Draft Prospectus.

For further details, see ‘Our Business – Our Strengths’ on page 68 of this Draft Prospectus.

1. Basic and Diluted Earnings Per Share (‘EPS’), as adjusted for changes in capital:

As derived from the Restated Financial Information:

Sr.No	Period	Basic EPS (in Rs.)	Diluted EPS (in Rs.)	Weights
1.	Period ending June 30, 2023	1.47	1.47	-
	Weighted Average	1.47	1.47	

- i) The face value of each Equity Share is ₹10.00.
- ii) Earnings per Share has been calculated in accordance with Accounting Standard 20 “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- iii) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure-4.
- iv) Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- v) Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. Price Earning (P/E) Ratio in relation to the Issue Price of ₹.[●]

Particulars	(P/E) Ratio*
P/E ratio based on the Basic EPS, as restated for period ending June 30, 2023	[●]
P/E ratio based on the Diluted EPS, as restated for period ending June 30, 2023	[●]
P/E ratio based on the Weighted Average EPS, as restated. (Basic EPS)	[●]
P/E ratio based on the Weighted Average EPS, as restated. (Diluted EPS)	[●]

*Not annualized

Industry P/E Ratio

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

3. Return on Net worth (RoNW)*

Sr. No	Period	Standalone (%)	Weights*
1.	Period ending June 30, 2023	13.00	-
	Weighted Average	13.00	

*Restated Profit after tax/Net Worth

*Not annualized

Note:

The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period

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

Sr. No	Period	Standalone
1.	Period ended June 30, 2023	11.47
2.	NAV per Equity Share after the Issue	[•]
3.	Issue Price	[•]

Note:

i) The NAV per Equity Share has been computed by dividing restated net worth with weighted average number of equity shares outstanding at the end of the year/period.

5. Comparison of Accounting Ratios with Industry Peers

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 01, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by M/s TATTVAM & CO., Chartered Accountants, by their certificate dated August 01, 2023.

The KPIs of our Company have been disclosed in the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators" on pages 68 and 124, respectively.

We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" beginning on page 1. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations, 2018.

Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

7. Key Performance Indicators of our Company

Key Financial Performance	For the Period April 06, 2023 to June 30, 2023
Revenue from operations ⁽¹⁾	464.02
EBITDA ⁽²⁾	68.70
EBITDA Margin ⁽³⁾	0.15
PAT	50.64

Key Financial Performance	For the Period April 06, 2023 to June 30, 2023
PAT Margin ⁽⁴⁾	0.11

Notes:

- (1) Revenue from operation means revenue from sales, service and other operating revenues;
(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
(4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of Our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

a) Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

b) Weighted average cost of acquisition

- The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)
The price per share of our Company based on the secondary sale / acquisition of shares (equity shares). There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 3 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities 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 certificate irrespective of the size of transactions, is as below:

Primary Transactions:

Date of Allotment	No. of equity shares allotted	Face value per equity	Issue Price Per Equity	Nature of allotment	Nature of Consideration	Total Consideration (INR in Lakhs)
April 06, 2023	10000	10	10	Incorporation	Cash	1.00
June, 15, 2023	3440146	10	10	Pursuant to acquisition of M/s Royal Traders, PHT and Anaya	Other than cash	344.01

Secondary Transactions:

There have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Prospectus:

The Issue Price shall be determined by our Company in consultation with the LM and will be justified by us in consultation with the LM on the basis of the above information. Investors should read the above-mentioned information along with "Our Business", "Risk Factors" and "Restated Financial Statements" on pages 68, 22 and 105 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFITS

Date: 01st August, 2023

To
ROYAL SENSE LIMITED
First Floor, Plot No 57, Badli Industrial Area
Phase-II, Badli (North West Delhi)
New Delhi-110042

Dear Sir,

Sub: Statement of possible special tax benefits (“the Statement”) available to Royal Sense Limited (“The Company”) and its shareholders prepared in accordance with the requirement in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“The Regulation”).

We hereby confirm that the enclosed statement in Annexure A, prepared by the Company, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961, as amended by the Finance Act, 2023 applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and / or its shareholders to derive the stated tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company or its shareholders. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/her/its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue particularly in view of ever changing tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

We shall not be liable to Company for 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 of intentional misconduct.

The enclosed Annexure is intended solely for your information and for inclusion in the Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For TATTVAM & Co.
Chartered Accountants,
FRN: 015048N

SD/-
Gaurav Saraf
Partner
Membership No.- 535309
UDIN: 23535309BGZBAF3952
Place: New Delhi
Date: 01st August, 2023

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in India for the financial year 2023-24.

A. Special Tax Benefits available to the Company under the Income Tax Act, 1961 (THE “ACT”):

The Company is not entitled to any Special tax benefits under the Act.

B. Special Tax Benefits available to the shareholders of the Company under the Income Tax Act, 1961 (THE “ACT”)

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first nameholder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

**For TATTVAM & Co.
Chartered Accountants,
FRN: 015048N**

**Sd/-
Gaurav Saraf
Partner
Membership No.- 535309
UDIN: 23535309BGZBAF3952**

**Place: New Delhi
Date: 01st August, 2023**

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.

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Prospectus, including the information in “Our Business” and “Financial Information” beginning on pages 68 and 105 respectively of this Draft Prospectus. An investment in Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “Risk Factors” beginning on page 22 of this Draft Prospectus.

OVERVIEW OF ECONOMY

GLOBAL ECONOMIC ENVIRONMENT

The Survey narrates about six challenges faced by the Global Economy. The three challenges like COVID-19 related disruptions in economies, Russian-Ukraine conflict and its adverse impact along with disruption in supply chain, mainly of food, fuel and fertilizer and the Central Banks across economies led by Federal Reserve responding with synchronized policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies. The fourth challenge emerged as faced with the prospects of global stagflation, nations, feeling compelled to protect their respective economic space, thus slowing cross-border trade and affecting overall growth. It adds that all along, the fifth challenge was festering as China experienced a considerable slowdown induced by its policies. The sixth medium-term challenge to growth was seen in the scarring from the pandemic brought in by the loss of education and income-earning opportunities.

The Survey notes that like the rest of the world, India, too, faced this extraordinary set of challenges but withstood them better than most economies.

In the last eleven months, the world economy has faced almost as many disruptions as caused by the pandemic in two years. The conflict caused the prices of critical commodities such as crude oil, natural gas, fertilizers, and wheat to soar. This strengthened the inflationary pressures that the global economic recovery had triggered, backed by massive fiscal stimuli and ultra-accommodative monetary policies undertaken to limit the output contraction in 2020. Inflation in Advanced Economies (AEs), which accounted for most of the global fiscal expansion and monetary easing, breached historical highs. Rising commodity prices also led to higher inflation in the Emerging Market Economies (EMEs), which otherwise were in the lower inflation zone by virtue of their governments undertaking a calibrated fiscal stimulus to address output contraction in 2020.

The Survey underlines that Inflation and monetary tightening led to a hardening of bond yields across economies and resulted in an outflow of equity capital from most of the economies around the world into the traditionally safe-haven market of the US. The capital flight subsequently led to the strengthening of the US Dollar against other currencies – the US Dollar index strengthened by 16.1 per cent between January and September 2022. The consequent depreciation of other currencies has been widening the CAD and increasing inflationary pressures in the net importing economies.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>)

OVERVIEW OF THE INDIAN ECONOMY

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

The healthcare and medical device sectors in India have grown significantly in the last decade. A wide range of medical devices, from consumables to implantable medical devices, are produced in India. The majority of medical devices manufactured in India

are disposables like catheters, perfusion sets, extension lines, cannulas, feeding tubes, needles, and syringes, as well as implants like cardiac stents, drug-eluting stents, intraocular lenses, and orthopedic implants. The medical devices sector is highly capital intensive, and also requires continuous training of the healthcare system providers to adapt to new technologies.

However, there is still a huge gap in the current demand and supply of medical devices in India, as India has an overall 70-80% import dependency on medical devices. At present, many medical device manufacturers (domestic and international) are chasing this massive under penetration of medical devices in India as a significant growth opportunity.

The government has come up with multiple initiatives and policies to promote India's medical device sector. It was recognized as a focus sector in 2014 by the government during the Make in India campaign.

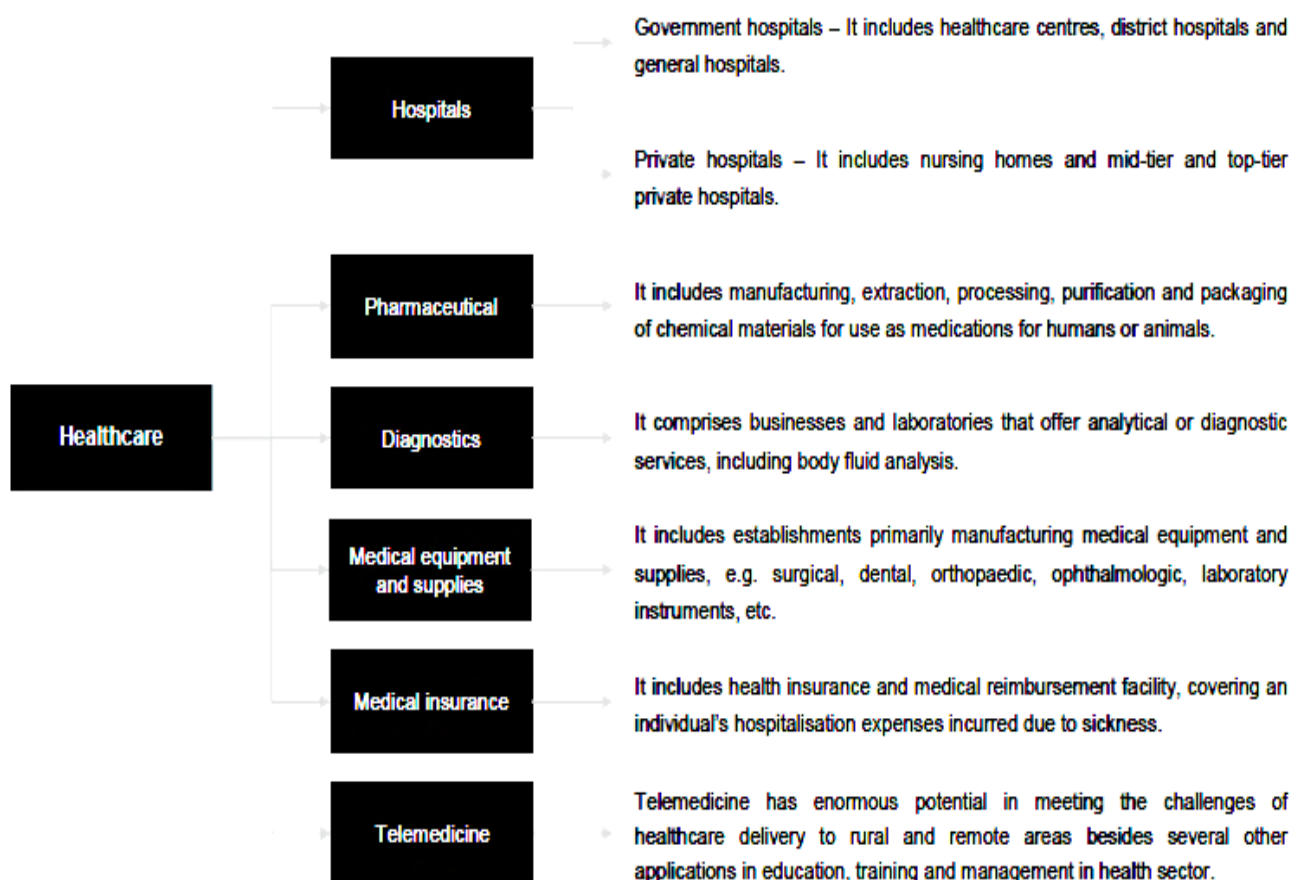
INDUSTRY OVERVIEW

HEALTHCARE INDUSTRY

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services, and increasing expenditure by public as well as private players.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost-competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

THE HEALTHCARE MARKET FUNCTIONS THROUGH FIVE SEGMENTS



SURGICAL EQUIPMENT INDUSTRY

India is now the limelight for its expertise in some segments of the Surgical Equipment's sector. Owing to its high growth potential in terms of domestic manufacturing and global exports, the Medical Devices, Surgical Equipment's and Pharmaceutical Machineries has emerged as the 'Sunrise Sector' of India.

The Indian medical devices industry is currently valued at around US\$ 5 billion which is 2% of the US\$ 250 billion industries. The overall healthcare industry in India is valued at USD 90 Billion which is expected to reach US\$ 220 billion by the year 2020. Thus India's medical devices, surgical equipment and pharmaceutical industry is poised to grow significantly in the coming years and emerge cost effective supplier of the products to the whole world. The Indian surgical equipment, medical device and pharmaceutical machinery industry is fragmented with close to 1,800 domestic firms who are predominantly MSMEs, primarily competing in the range of low to medium technology products. However, in recent years there has been a paradigm shift in the manufacturing landscape and which now have expanded for producing more cost-effective to number high end products including hi tech R&D and testing in the sector.

(Source: <https://www.ibef.org/industry/medical-devices>)

GROWTH IN SURGICAL EQUIPMENT'S INDUSTRY

The impact of COVID-19 was severe on the market studied, owing to the cancellations of elective procedures, including surgical procedures, which impacted the market. The pandemic brought an unprecedented burden on the country's economy and the healthcare system. The healthcare facilities, such as hospitals and diagnostic centers, were investing heavily to maintain the supply of essential equipment and drugs. The lockdown measures have significantly decreased public mobility and impacted the healthcare industry, decreasing the uptake of various non-emergency surgeries. The surgical procedures postponed due to the pandemic were completed in the last two years since the restrictions were lifted, which led to the market's recovery.

The market is expected to grow due to factors such as rising demand for minimally invasive surgeries, a high rate of injuries and accidents, and an increasing prevalence of chronic diseases.

Healthcare in developing countries like India is undergoing rapid changes. Growing population in the country is likely to lead to increased demand for medical devices. According to the Elderly in India 2021 report, around 137.9 million people over the age of 60 years were living in India. The numbers are projected to rise to 193.8 million by the year 2031. Around 23% of the elderly population have multi-morbidities, with elderly women being more likely to have such disorders. As a result of huge geriatric population, demand for minimally incise surgeries is estimated to increase in India. These factors have been increasing the demand for general surgical devices in India.

The Indian surgical consumables market was estimated to be worth USD 364.1 million in 2020 and is expected to grow at a CAGR of 9.0% (2021-25), reaching USD 610.7 million in 2025. The market witnessed a slowdown due to COVID-19 and impact of lockdowns on surgical procedures, resulting in 14.9% value decline in 2020. The Indian surgical consumables market is expected to grow at a CAGR of 15.47% over the next two calendar years, driven by surgery volumes growing at a CAGR of 9.83% (2021-25).

This growth is likely to be driven by improving access to surgical procedures in India, where the per-capita surgery rate is less than half of that in other similar developing markets (2,000 per 100,000 people, versus 4,500 per 100,000 people for other similar developing markets). This improved access to surgical procedures in India is expected to be enabled by increasing government and private sector spending on healthcare and development of healthcare infrastructure.

Key trends driving growth in this sector are:



MARKET SIZE

The Indian market for medical equipment is predicted to increase to US\$ 50 billion by 2025. As of 2020, the medical devices market is estimated to be at US\$ 12 billion in India. India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally. India has an overall 75-80% import dependency on medical

devices. Export of medical devices from India stood at US\$ 2.90 billion in FY22. The US, Germany, China, Brazil, Iran, etc. are a few key countries that import Indian medical devices. Gujarat, Maharashtra, Karnataka, Haryana, Andhra Pradesh, Telangana and Tamil Nadu are the manufacturing hubs for medical devices in India. In BioAsia 2021, key stakeholders in the panel discussion on medical technologies stated that India would become self-sufficient in domestic medical devices manufacturing by 2025-26. (Source: <https://www.ibef.org/industry/medical-devices>)

GOVERNMENT INITIATIVES TO BOOST DEMAND

1. Incentive Schemes

In July 2022, the government tabled a draft for the new Drugs, Medical Devices and Cosmetics Bill 2022, to assure and offer thorough legal protections to ensure that the medical items sold in India are reliable, efficient, and up to required standards. To boost domestic manufacturing of medical devices and attract huge investments in India, the Department of Pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices, with a total outlay of funds worth Rs. 3,420 crore (US\$ 468.78 million) for the period FY21-28.

In 2022, the PLI Scheme for pharmaceuticals worth Rs. 18,420 crore (US\$ 2.24 billion) was launched. This scheme aims to enhance India's manufacturing capabilities by increasing investment and production in the pharmaceutical and medical devices sectors and contribute to the availability of a wider range of affordable medicines for consumers.

2. Introduction of Medical Parks

The medical device parks are expected to reduce manufacturing costs as these will be equipped with the necessary infrastructure where companies can plug and play.

In September 2021, the government announced a scheme worth Rs. 400 crore (US\$ 53.95 million) to promote medical device parks until FY25. The scheme is expected to reduce the cost of manufacturing medical equipment, making it more affordable in the domestic market.

3. Commercialization in the medical devices and diagnostics space

In November 2021, the Indian Council of Medical Research (ICMR) collaborated with Indian Institutes of Technology (IITs) to establish 'ICMR at IITs' by setting up Centres of Excellence (CoE) for Make-in-India product development and commercialization in the medical devices and diagnostics space. The ICMR-DHR CoEs at IITs will create a pipeline of innovative medical devices and start-ups that will incentivize and motivate local manufacturing in India and provide holistic support to the technologies/products nearing commercialization.

4. Production Linked Incentive (PLI) Scheme

The Indian Government has identified medical devices as a priority sector for the flagship 'Make in India' program and is committed to strengthening the manufacturing ecosystem. The Production Linked Incentive Scheme (PLI) Promoting Domestic Manufacturing of Medical Devices and Production Linked Incentive Scheme for Pharmaceuticals (PLI 2.0) have been introduced to provide an impetus to India's vision of becoming a global manufacturing hub for medical devices.

EXPORT SCENARIO OF MEDICAL DEVICES IN INDIA

India has a 75-80% import dependency on medical devices, with exports of US\$ 2.90 billion in FY22, which is expected to increase at a CAGR of 51% to reach US\$ 10 billion by 2025.

To increase the export of medical devices in the country, the Ministry of Health and Family Welfare (MOHFW) and Central Drugs Standard Control Organization (CDSCO) implemented the following initiatives:

- The entities are re-visiting and implementing the Schedule MIII, which is a draft guidance on good manufacturing practices and facility requirements.
- System for export labelling.
- Clinical evaluation and adverse reporting clarification.
- State licensing authority to extend free sales certificate validity from 2 years to 5 years to allow exports.
- Create a list of manufacturers with export licensing and make this list easily accessible to different regulatory authorities worldwide.

The Medical Devices Virtual Expo 2021 showcased Indian products and enabled direct interaction between Indian suppliers and buyers/importers from participating countries. Also, 300 foreign buyers from the healthcare sector participated in this event.

INVESTMENT:

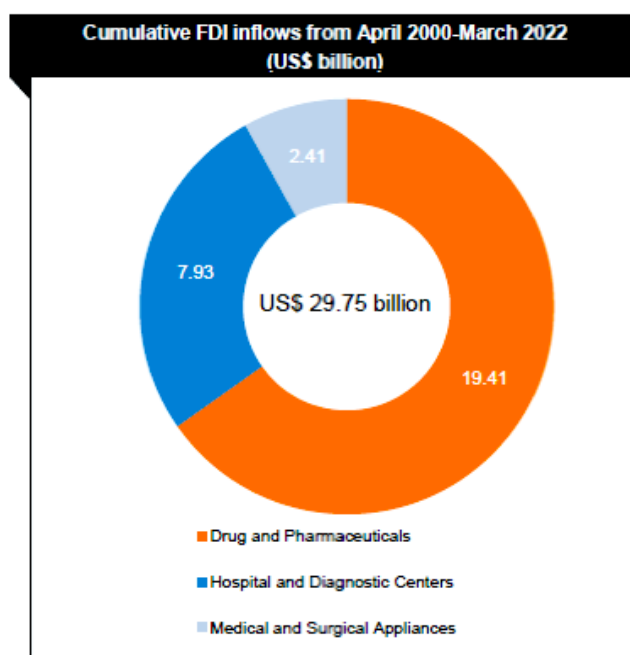
The Government has allowed 100% FDI under the automatic route for both brownfield and greenfield setups in the sector is expected to boost the industry. Strong FDI inflows also reflect confidence among global players on the Indian medical devices market. Over the last five years (2015-20), India received US\$ 600 million, with key investments from countries such as Singapore, the US, Europe and Japan. Categories such as equipment and instruments, consumables and implants have attracted the most FDIs. From April 2000-September 2022, FDI inflow in the medical and surgical appliances sector stood at US\$ 2.74 billion.

Some of the recent developments in the Medical sector are as follows:

- As of March 2021, 40 companies signed up to establish their facilities in the Medical Devices Park of Sultanpur, Telangana. In total, the park received a commitment of >Rs. 1,200 crores (US\$ 165 million) with a potential to generate 6,500 jobs.
- In August 2022, Wipro GE Healthcare announced that it had partnered with medical device maker Boston Scientific to offer comprehensive, cutting-edge cardiac interventional care solutions in India.
- By 2022, the Gautam Budh Nagar, Noida, is expected to have Northern India's first medical tools and system manufacturing park. The park is likely to be developed in Sector 28 of the Yamuna Expressway Industrial Development Authority (YEIDA) Space by the Yamuna Expressway Authority. In March 2021, YEIDA is expected to introduce a mission scheme worth ~Rs. 5,000 crore (US\$ 685.35 million), of which Rs. 100 crore (US\$ 13.71 million) is likely to be funded by the central authorities.
- In September 2021, the government approved a medical devices park in Oragadam (Tamil Nadu) that is expected to attract an estimated investment of Rs. 3,500 crore (US\$ 472.05 million) and offer direct and indirect employment to ~10,000 people.
- In January 2021, the Tamil Nadu government proposed to build a medical devices park (spanning 350 acres) near Oragadam in Kancheepuram district. The proposed cost for developing this project is Rs. 430 crore (US\$ 58.92 million).
- To further incentivise investments in the manufacturing of medical devices, in May 2020, the Central Government of India announced incentivisation plans of at least Rs. 3,420 crore (US\$ 469.19 million) over a period of five years, and these funds will be offered to manufacturers only if they invest in set-ups to produce key medical devices.
- In May 2020, AiMeD (an Umbrella Association of Indian Manufacturers of Medical Devices) invited Japanese investors who were interested in setting-up a manufacturing base for medical devices (including medical electronics & IVD) in India. As a part of the initiative, India is targeting 1,200 technical collaborations with Indian investors for JPY 600 billion (US\$ 5,746.7 million) and above, 200 joint ventures with foreign investors for JPY 200 billion (US\$ 1,903.8 million) and above, and 50 MNCs for JPY 200 billion (US\$ \$ 1,903.8 million) and above.
- Metal Component Engineering Limited ("MCE" or the "Group"), based in Singapore, invested in MedTel, an India-based company, and formed a strategic partnership with its healthcare unit, GainHealth.

FDI INFLOW

- 100% FDI is allowed under the automatic route for greenfield projects.
- For brownfield project investments, up to 100% FDI is permitted under the government route.
- Demand growth, cost advantages and policy support have been instrumental in attracting FDI.
- Between April 2000-June 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US\$ 19.90 billion.
- Inflows in sectors such as hospitals and diagnostic centres and medical and surgical appliances stood at US\$ 8.09 billion and US\$ 2.71 billion, respectively, between April 2000-June 2022.
- In November 2021, Aster DM Healthcare announced that it is planning Rs. 900 crore (US\$ 120.97 million) capital expenditure over the next three years to expand its presence in India, as it looks at increasing the share of revenue from the country to ~40% of the total revenue by 2025.



POLICY SUPPORT AND GOVERNMENT INITIATIVES

Pradhan Mantri Jan Arogya Yojana (PMJAY)

The government announced Rs. 89,155 crore (US\$ 10.76 billion) outlay for the healthcare sector over six years in the Union Budget 2023-2024 to strengthen the existing 'National Health Mission' by developing capacities of primary, secondary and tertiary care, healthcare systems, and institutions for detection and cure of new & emerging diseases.

Tax incentives

- All healthcare education and training services are exempted from service tax.
- Increase in tax holiday under section 80-IB for private healthcare providers in non-metros for minimum of 50 bedded hospitals.
- 250% deduction for approved expenditure incurred on operating technology enables healthcare services such as telemedicine and remote radiology.
- Artificial heart is exempted from basic custom duty of 5%.
- Income tax exemption for 15 years for domestically manufactured medical technology products.
- The benefit of section 80-IB has been extended to new hospitals with 100 beds or more that are set up in rural areas. Such hospitals are entitled to 100% deduction on profits for 5 years.

Credit incentives for healthcare infrastructure

The Indian government is planning to introduce a credit incentive programme worth Rs. 500 billion (US\$ 6.8 billion) to boost the country's healthcare infrastructure. The programme will allow firms to leverage the fund to expand hospital capacity or medical supplies with the government acting as a guarantor and strengthen COVID-19-related health infrastructure in smaller towns.

Incentives in the medical travel industry

Incentives and tax holidays are being offered to hospitals and dispensaries providing health travel facilities. Senior citizens above 80 years of age will be allowed deduction of US\$ 491 towards medical expenditure if they are not covered under health insurance.

Universal health

The Union Budget 2021 announced the launch of 'Jal Jeevan Mission' (Urban) to achieve universal health. The mission is aimed at universal supply of water to all 4,378 urban local bodies, with 2.86 crore household tap connections, and management of liquid waste in 500 AMRUT cities. It will be executed with an outlay of Rs. 287,000 crore (US\$ 39.41 billion) over five years.

Bilateral ties

- In September 2021, the 4 th Indo-US Health Dialogue was hosted by India. The two-day dialogue leveraged as a platform to deliberate upon multiple ongoing collaborations in the health sector between the two countries.
- In September 2021, the All India Institute of Ayurveda, under the Ministry of AYUSH, signed a MoU, in coordination with the NICM Western Sydney University Australia, to appoint an Academic Chair in Ayurveda. The new Academic Chair will undertake academic and collaborative research activities in Ayurveda, including herbal medicine and yoga, and design academic standards and shortterm/medium-term courses and educational guidelines.

Single window system

The Drug Controller General of India (DCGI) has proposed to set up a single window system for start-ups and innovators seeking approvals, consents, and information regarding regulatory requirement.

Union Budget 2023–24

- Under the Union Budget 2023-24, the Ministry of Health and Family Welfare has been allocated Rs. 89,155 crore (US\$ 10.76 billion), an increase of 3.43% compared to Rs. 86,200.65 crore (US\$ 10.4 billion) in 2021-22.
- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated Rs. 3,365 crore (US\$ 410 million)
- Human Resources for Health and Medical Education was allotted Rs. 6,500 crore (US\$ 780 million).
- National Health Mission was allotted Rs. 29,085 crore (US\$ 3.51 billion).
- Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted Rs. 7,200 crore (US\$ 870 million).

Establishment of health system capacities at airports under the Aatmanirbhar Swasth Bharat Yojana

In the Union Budget 2021, the government proposed enhancement of the country's potential for health systems, which included entry points for aviation. It planned to strengthen the public health units at 32 airports under the Aatmanirbhar Swasth Bharat Yojana scheme. This programme would promote smooth movement of pharmaceuticals through India and other parts of the world by air.

Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)

- In the Union Budget 2023-24, Rs. 3,365 crore (US\$ 410 million) was allocated to the scheme.
- The Government of India will use this money to boost the medical education infrastructure of the country and set up AIIMS across the country.

‘Vision 2035: Public Health Surveillance in India’

- To make the public health surveillance system in India more flexible and predictive to strengthen action preparedness at all levels.
- A citizen-friendly public health surveillance system, supported by a consumer feedback process, would ensure individual privacy and confidentiality.
- To improve data-sharing system for effective disease control between the Centre and states.
- India aims to provide regional and international leadership in managing events of global concern, which constitute a public health emergency.

PM Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)

In the Union Budget 2023-24, Rs. 7,200 crore (US\$ 870 million) was allocated to the newly announced PM-ABHIM to strengthen India’s health infrastructure and improve the country’s primary, secondary and tertiary care services

(Source: <https://www.ibef.org/industry/healthcare-india>)

OPPORTUNITIES IN HEALTHCARE

- Additional three million beds will be needed for India to achieve the target of 3 beds per 1,000 people by 2025. Also, India will have one doctor to every 800 patients by 2030.
- Additional 1.54 million doctors and 2.4 million nurses will be required to meet the growing demand for healthcare. 58,000 job opportunities are expected to be generated in the healthcare sector by 2025.
- Over US\$ 500 billion is expected to be spent on medical infrastructure by 2030.
- Over the years, India has made strategic interventions in the National Health Mission and the national disease control programmes to ensure quality and affordable healthcare for all.
- Startup HealthifyMe, with a total user base of 30 million people, is adding half a million new users every month and crossed US\$ 40 million ARR in January 2022.
- The medical devices market is expected to reach US\$ 11 billion in 2022, backed by rising geriatric population, growth in medical tourism and declining cost of medical services.

(Source: <https://www.ibef.org/industry/healthcare-india>)

OUR BUSINESS

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

OVERVIEW

We “RoyalSense” are suppliers of high quality goods that meet international standards required for hospitals, laboratories, institutions and clinics to provide health services. We trade and offer a wide range of surgical accessories, tools, equipment and other things. The supplied assortment can be modified according to the requirements of the clients and is offered in a wide range of parameters.

We work relentlessly with the right strategy, forward thinking and progressive ethos to position ourselves as the one-stop solution for customers looking to meet their complete needs for medical equipment, surgical instruments, surgical consumables, laboratory equipment, laboratory reagents, medical consumables, diagnostic equipment, sanitary napkins, pharmaceuticals, medicine and cosmetics

Our company was incorporated in 2023. Prior to the incorporation of the Company, our promoter Rishabh Arora was running the business in sole proprietorships under the name “M/s Royal Traders, PHT and Anaya”. Later, on April 28, 2023, the ongoing business of the aforesaid company was acquired by Royal Sense Limited along with the assets and liabilities of the company.

Our promoter was appointed as the managing director of the company and has been taking care of the overall operation and key business decisions of the company since then. With our absolute commitment to quality, careful attention and level of services. Currently In addition, we work tirelessly, which positions us as a one-stop solution for customers to meet their complete requirements for medical equipment, surgical instruments, surgical consumables, laboratory equipment, laboratory reagents, disposable medical supplies and diagnostic kits. We have extended our supply chain to government e-procurement systems, i.e. tender systems, GEM Portal etc.

We supply our products to the Ministry of Health of Various states like Uttar Pradesh, Himachal Pradesh, Rajasthan, Jammu & Kashmir and in domestic by our self or through distributors/ sub-distributors. we also supply to both to Govt. Institutions and private hospitals in all over India.

Financial Snapshot

For the period ending June 30, 2023 our total revenue as per Restated Financial Statements was Rs. 464.05 lakhs. Further, our profit after tax for the period ending June 30, 2023 as per Restated Financial Statements was Rs. 50.64 Lakhs.

(in Lacs)

Key Financial Performance	For the Period ended June 30, 2023
Revenue from operations ⁽¹⁾	464.02
EBITDA ⁽²⁾	68.70
EBITDA Margin ⁽³⁾	0.15
PAT ⁽⁴⁾	50.64
PAT Margin ⁽⁵⁾	0.11

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

(4) ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

Below are the consolidated financials of the proprietorship firms are as follow

1. “M/s Royal Traders, PHT and Anaya”






(in Lacs)



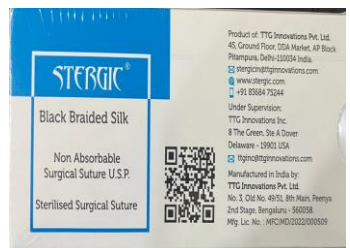



Particulars	March 31		
	2023	2022	2021
Total revenue from operations	1150.00	655.64	715.74
Profit Before Tax for the year	125.83	19.30	21.43

Our Location:


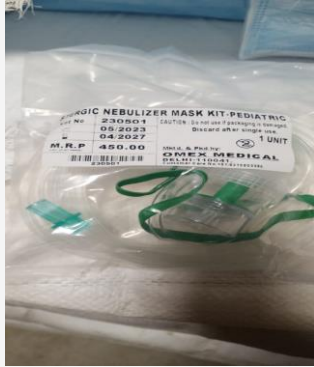

Purpose	Address
Registered Office/ Warehouse	Plot No. 57, First Floor, Phase-II, Badli Industrial Estate, Badli Ind. Badli, North West Delhi Delhi-110042 IN

Products we deal in:

Si. No.	Product Name	Product Description	Product Description
Healthcare Product & Medical Devices			
Sterile Surgical Threads used to repair Cuts (Surgical Consumable)			
1	Catgut Plain Suture	Catgut is fast absorbing surgical gut suture made from strand of collagenous material prepared from the sub mucosal layers of small intestine of healthy sheep. fast absorbing surgical gut sutures are sterile and elicit only a slight to minimal tissue reaction during absorption.	
2	Chromic Catgut Suture	Chromic catgut is an absorbable, sterile surgical suture composed of purified connective tissue (mostly collagen) delivered from the sub mucosal fibrous layer of healthy sheep intestine chromic gut is processed to provide greater resistance to absorption.	
3	Polyglactin 910 Suture	Polyglactin 910 suture is a synthetic absorbable sterile surgical suture composed of a Co-Polymer made from 90% glycolide and 10% L-lactide.	
4	Polyglactin Absorbable Fast	Polyglactin 910 suture is a synthetic absorbable sterile surgical suture composed of a Co-Polymer made from 90% glycolide and 10% L-lactide.	
5	Polyglactin Antibacterial	Polyglactin 910 suture is a synthetic absorbable sterile surgical suture composed of a Co-Polymer made from 90% glycolide and 10% L-Lactide	

Si. No.	Product Name	Product Description	Product Description
6	Polyglecaprone 25 Suture	Polyglecaprone 25 suture is a monofilament synthetic absorbable surgical suture prepared from a Co-Polymer of glycolide and epsilon-caprolactone. Polyglecaprone 25 Co-Polymer has been found to be non antigenic, non pyrogenic and elicits only a slight tissue reaction during absorption	
7	Polydioxanone Monofilament Sutures	Polydioxanone monofilament synthetic absorbable suture is prepared from the polyester, poly (p-dioxanone).	
8	Black Braided Silk	Black Braided Silk suture is a non-absorbable, sterile, surgical suture composed of an organic protein called fibroin. This protein is derived from the domesticated species Bombyx mori (B. More) of the family Bombycidae. Black Braided Silk sutures are processed to remove the natural waxes and gums. Black Braided Silk suture is dyed black and coated with a special wax mixture. Black Braided Silk suture is also available in its natural color Black Braided Silk Virgin silk suture is available in which the sericin gum is not removed and serves to hold the filaments together.	
9	Polyamide Sutures	Polyamide nylon suture is a non absorbable, sterile surgical monofilament suture composed of the long chain aliphatic polymers Nylon 6 and Nylon 6,6. Polyamide sutures are dyed black or green to enhance visibility in tissue	
10	Polyester Sutures	Polyester suture is a non-absorbable, braided, sterile, surgical suture composed of Poly (ethylene terephthalate). It is prepared from fibers of high molecular weight, long-chain, linear polyesters having recurrent aromatic rings as an integral component. Polyester sutures are braided for optimal handling properties, and for good visibility in the surgical field, are dyed green	
11	Polypropylene Sutures	Polypropylene Monofilament polypropylene suture is a non-absorbable sterile surgical suture composed of an isotactic crystalline stereo isomer of polypropylene, a synthetic linear polyolefin. The suture is pigmented blue to enhance visibility	

Si. No.	Product Name	Product Description	Product Description
12	Polypropylene Hernia Mesh	Polypropylene Mesh is constructed of knitted filaments of extruded polypropylene identical in composition to that used in Polypropylene Suture. This material, when used as a suture, has been reported to be nonreactive and to retain its strength indefinitely in clinical use.	
13	3 Ply Face Mask	shields people from airborne contaminants like dust, germs, and viruses.	
14	Skin Stapler	Large wounds or surgical cuts on a patient's skin or scalp are closed outside the body using surgical staplers and external-use staples. The following are benefits of surgical staplers and staples: rapid placement. hardly any tissue reaction.	
15	Surgical Blade	Since the advent of "modern" surgery, the scalpel has been a crucial tool in dermatology for "making skin incisions, tissue dissections, and a variety of surgical approaches." Scalpel blades come in a variety of sizes, each with a unique blade number and function.	
16	IV (Intravenous) Cannula	The process of intravenous (IV) cannulation involves inserting a cannula within a vein to enable venous access. Venous access enables the delivery of fluids, drugs, parenteral nourishment, chemotherapy, and blood products in addition to blood collection.	
17	Sharp Container	Never put sharps in the garbage; always put them in disposal containers. Utilise reusable sharps disposal containers that have received FDA approval. According to state and municipal legislation, these can be reused after being collected, processed, and disinfected by an authorised medical waste collection agency.	

Si. No.	Product Name	Product Description	Product Description
18	Adhesive Surgical Tape	Bandages, gauze, and other dressings are secured to the skin around wounds using medical adhesive tape, also known as surgical tape. The majority of adhesive tapes are pressure-sensitive tapes, which adhere and remain in place when firmly applied. Neither a solvent nor heat activation are required.	 <p>MEDI GRIP Microporous, Hypoallergenic Permeable Non Woven Synthetic Adhesive Tape B.P. 7.5 cm. x 5 m. Quantity 4 N</p>
19	Nebuliser Mask	Put the mask over your face or place the mouthpiece in your mouth in the space between your teeth, then firmly seal it with your lips. Start the compressor. To avoid spills and make sure the medication is properly dispensed, hold the nebulizer upright.	 <p>BASIC NEBULIZER MASK KIT-PEDIATRIC Cat No. 230001 04 2023 04 2027 M.R.P. 400.00 1 UNIT OMK MEDICAL</p>
20	Oxygen Mask	A way to get inhaling oxygen from a tank to the lungs is by using an oxygen mask. Oral nasal masks and full-face masks are two different types of oxygen masks that can be worn. They might be constructed from silicone, rubber, or plastic.	 <p>STERILE OXYGEN MASK Cat No. 230002 04 2023 04 2027 M.R.P. 400.00 1 UNIT OMK MEDICAL</p>

COMPETITION

We operate in a competitive atmosphere with multiple few organized competitors and multiple unorganized customers. In organized peers Orion Sutures India Private Limited. Some of our competitors may have greater resources than those available to us. We face fair competition from both organized and unorganized players in the market. We believe that our experience in this business and quality assurance will be key to overcome competition posed by such organized and unorganized players. We believe that we have the potential to compete effectively in the market with our quality of products. We believe that the principal factors affecting competition in our business include client relationships, reputation, and the relative quality and price of the products. We compete with these competitors to enter directly into deals with customers.

“Key players:

Some of the large industries involved in the hand Medical Devices have been mentioned below:

Ethicon US LLC (Johnson & Johnson services INC)	Poly Medicare Limited
B Brawn AG	Romsons Prime Private Limited
Healthium Medtech Limited	Futura Surgicare Private Limited
Meril Lifesciences Private Limited	Strerimed Medical Devices Private Limited

OUR STRENGTHS

We believe that the following are our primary strengths:

A. Experience of our Promoter and core management team:

Our company is promoted by Mr. Rishabh Arora with 18 years of experience in the field of Pharmaceuticals and Medical Devices Trading and related products. Both industrial experiences enable us to anticipate and address market trends, manage and grow our operations. We believe that our management team and other Key Managerial Personnel are well qualified and possess an in-depth understanding of our products and have been responsible for widening our operations and have enabled us to extend our operational capabilities, improve the quality of products and it is therefore well - positioned to focus on the continued expansion and strengthening of our business.

B. Existing well established reputation and customer relationships:

We focus on maintaining long term cordial business relationship with most of our customers. Our key customers majorly include (i) hospitals and diagnostic centers; (ii) Distributors and dealers and (iii) independent doctors. We sell some of our products under registered brand name “STERGIC” having exclusive Distributors right. With our expanding business scope, we believe that our brand along with other brands, over these years has built a reputation by marketing and distributing wide range of medical equipment’s and disposables with strong customer base. We believe that we constantly try to address customer needs with a variety of products. Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy.

C. We offer a diversified range of products

We have a diversified product portfolio of medical equipment’s and disposables catering to renal care solution, cardiovascular disease, respiratory disease, Critical Care and Radiology and surgical disposables. We deal in a wide range of products, which enables us to cater to a widespread customer base across India. The collaboration, agreements or authorizations awarded to our company for equipment’s or disposables has endowed us with greater exposure and opportunity to benefit from large consumer market in India. Further, we believe that we have necessary resources, experience, and network that can be customized and leveraged to cater to wider range of medical devices as per requirements of the customers. With an operating history of more than two decades, we are primarily known for our wide range of quality products at a competitive price.

D. Quality Assurance and safety of products

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. We have been in the business of supplying medical equipment’s and disposables since 2015 and have successfully ventured and supplied quality products to our customers. For products which are sourced by us from third party suppliers, we have a dedicated sourcing team and quality assurance team, which closely monitor the quality of such products.

OUR STRATEGY

Our Business strategies are as follows:

A. Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the company from both customer point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers. but the focus to meet quality standard is essential to obtain repeat orders.

B. Deepen and expand our geographical presence

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the reach of our products in different parts of the country. Our Company operates from Delhi in India. Furthermore, we have deployed various dealers, marketing representatives for increasing our sales. We propose to enter into new geographies and increase our marketing and sales team which can focus on different regions and also maintain and establish relationship with customers. We aim to achieve this by adding value to our customers through quality assurance, timely delivery and reliability.

C. Strengthening up our business through effective branding, promotional and digital activities

Going forward, we seek to allocate portion of our resources to increase the brand awareness of our products. We believe that the ability to differentiate our products from our competitors through our branding and marketing efforts will be an important factor in gaining market share. We seek to increase our brand awareness through outdoor media; marketing initiatives, new product lines

and brand extensions, effective online marketing strategies. Brand reputation is considered the top criteria in decision-making, with word of mouth, feedback from customers and recommendation from pharmacists/hospitals playing a crucial role. Our marketing and advertising initiatives are directed to increase brand awareness to cater to new customers. We plan to effectively utilize our website, social networking sites and other online platforms of communication to build consumer knowledge of our brands.

D. Maintaining cordial relationship with our Suppliers, Customer and employees

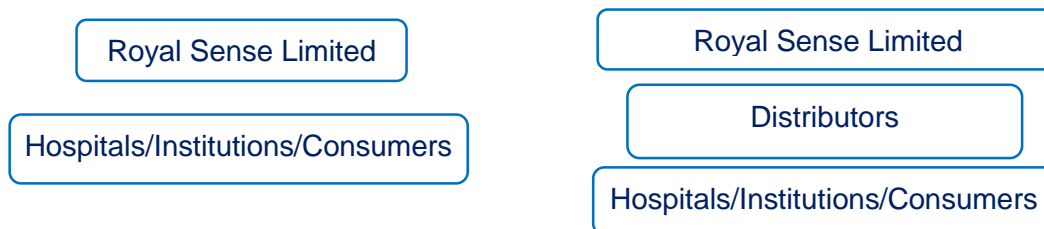
We believe in maintaining good relationship with our suppliers and customers which is the most important factor to keep our Company growing. Our dedicated and focused approach and efficient and timely delivery of products has helped us build strong relationships with our existing customers over a number of years. We bag and place repetitive order with our customers as well as with our suppliers. For us, establishing strong, mutually beneficial long-term relationships with strategic supplier relationship management is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop.

SALES AND MARKETING

A strong and robust sales and marketing team ensures pitching for prime projects at the appropriate time. Our marketing team ensures compatibility and reliability with our distributors servicing their needs and requirements efficiently. This is the reason major dealers/distributors continue to associate with our company year on year. Our quality assurance team keep a regular check on products entering our warehouses to ensure their physical and metallurgical quality. Royal Sense has a wide range of products, in which continuous additions are being made. The quality, features, look, and packaging of tools are continuously improved and customized according to the latest trends and demands of our esteemed ultimate customers.

Our operations involve trading of medical devices and equipment’s depending upon the type of products. We cater to retail clients as well as Institutional Clients Directly or Indirectly. The company uses its well-placed distribution network along with Practitioner network in Delhi NCR to reach to its retail consumers.

The company is having three tier networks to reach out to customers:



- The above diagram depicts marketing structure of the company where distributors are appointed by company and they supply products by their own to retailers and retailers to ultimate consumers
- We have a good presence in institutional clientele as well. Company largely caters to this segment from its Head Office.

UTILITIES

Infrastructure

Our Registered Office is well equipped with computer systems, internet connectivity, other communication equipment and security, etc. which are required for our business operations.

Power

We have arrangements for regular power supply at our office premises & warehouse. We depend on state electricity supply for our power requirements and utilize Invertor to ensure that our facilities are operational during power failures or other emergencies.

Water

We source our water requirements from municipality at our office. Our water requirement is minimal, sanitation, and firefighting purposes.

COMPETITION

We operate in a competitive atmosphere with multiple few organized competitors and multiple unorganized customers. There are no entry barriers in our industry which puts us to the threat of competition from new entrants. There are numerous players operating in the industry. We face tough competition in our business from a large number of unorganized and a few

organized players. We believe that we have the potential to compete effectively in the market with our quality of products. We believe that the principal factors affecting competition in our business include client relationships, reputation, and the relative quality and price of the products. We compete with these competitors to enter directly into deals with customers.

COLLABORATIONS / JOINT VENTURES / TIE UP'S

As on the date of this Draft Prospectus, our Company has not entered into any collaboration or Joint venture. However, we have tie up with TTG Innovations Private Limited for exclusive sales right in the Brand name "STERGIC" under their production & out their production also.

EXPORT OBLIGATION

As on date of the Draft Prospectus our company has no outstanding export obligation.

HUMAN RESOURCE

We believe that our employees are the key to the success of our business and our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. As on June 30, 2023, we have the total strength of Eight (8) full-time employees in various departments.

Classification	No. of employees
Operational Department	1
Sales & Marketing Department	2
Purchase & Procurement Department	1
Legal and Compliance Department	1
Finance Department	3
Total	8

INTELLECTUAL PROPERTY

The Company has applied for registration of following trademark under the Trade Marks Acts, 1999:

Description	Trademark Number / Application No./ Registration Certificate Number	Class(es)	Date of Application	Validity
Royal Sense	5909768	Class 10	25 April, 2023	Applied for

INSURANCE

Our Company has maintained insurance policy to cover our stocks of all kinds of Medical Device whilst kept or stored in insured Warehouse.

Name of the Insurance Company	THE NEW INDIA ASSURANCE CO. LTD.
Policy Number	31170046230100000079
Period of Insurance	28/07/2023 to 27/07/2024
Premium(₹) +GST	₹4,720
STOCK DETAILS	ON STOCK OF ALL KINDS OF MEDICAL DEVICES WHILST KEPT &/OR STORED IN INSURED'S GODOWN BUILT OF 1ST CLASS CONSTRUCTION
Sum Insured	₹400 Lacs

Name of the Insurance Company	THE NEW INDIA ASSURANCE CO. LTD.
Policy Number	31170011238000000078
Period of Insurance	28/07/2023 to 27/07/2024
Premium(₹) +GST	₹62,872
Location Address with Pin Code	Plot No. 57, First Floor, Phase-2, Badli Industrial Area, Samaypur, Badli, Delhi 110042
Sum Insured	₹400 Lacs

OUR CUSTOMERS

The company has supply its products majorly to Delhi, Rajasthan, Uttar Pradesh etc. The following is the breakup of the top five and top ten customers/suppliers of our Company for the period ended June 30, 2023:

(₹ in Lacs)

Particulars	June 30, 2023	
	Amount	In %
Top 5 Customers	401.36	86.50%
Top 10 Customers	442.66	95.40%
Top 5 Suppliers	418.23	93.90%
Top 10 Suppliers	432.55	97.12%

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” beginning on page 134 of this Draft Prospectus –

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

This chapter has been classified as under:

- A. Business and Trade related regulations
- B. Statutory and Business laws
- C. Laws relating to Labour and Employment
- D. Tax Laws
- E. Intellectual Property Legislation
- F. General Laws
- G. Regulation for Import & Export

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

BUSINESS AND TRADE RELATED REGULATION

Drugs and Cosmetics Act, 1940 (“DCA”) and Drugs and Cosmetics Rules, 1945 (“DCR”)

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated, spurious or harmful. The primary objective of the act is to ensure that the drugs and cosmetics sold in India are safe, effective and conform to state quality standards. The Central Government has also passed the DCR in exercise of powers conferred under the DCA. Medical Devices in India are regulated as drugs by the Central Drugs Standards Control Organization as per the provisions of the Drugs and Cosmetics Act, 1940. The DCR specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities.

LEGAL METROLOGY ACT, 2009 (“LEGAL METROLOGY ACT”)

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

Medical Device Rules, 2017 (“MDR”)

The Indian Government introduced the MDR which came into effect on January 1, 2018. The rules have been drafted with the intention to distinguish medical devices from pharmaceuticals for the purpose of regulation. Only the devices notified by the Government are regulated and falls under the provisions of regulations as per MDR. In tune with the global practice, the 2017 Rules has introduced a risk based classification system for regulation of medical devices including Low risk (Class A) Low Moderate (Class B) Moderate High (Class C) and High Risk devices classified as (Class D).

The Medical Device (Amendment) Rules, 2020 have introduced two changes to MDR. The first is introduction of a new chapter for registration of Newly Notified Medical Devices by their respective manufacturers and importers. The second is an exemption for the 37 categories of already regulated or notified medical devices from the requirement of registration introduced by the new chapter.

Essential Commodities Act, 1955 (“ECA”)

The ECA gives powers to the Government of India to, among other things, regulate production, distribution and quality of essential commodities including drugs, for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/departments of the Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The state governments have issued various control orders to regulate various aspects of trading in essential commodities.

National Pharmaceuticals Pricing Policy, 2012 (the “2012 Policy”)

The 2012 Policy replaces the drug policy of 1994 and presently seeks to lay down the principles for pricing of essential drugs specified in the National List of Essential Medicines – 2011 declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, so as to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the Industry. The prices would be regulated based on the essential nature of the drugs rather than the economic criteria/market share principle adopted in the drug policy of 1994. Further, the 2012 Policy will regulate the price of formulations only, through market based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

The Drugs (Price Control) Order, 2013 (“DPCO 2013”)

The DPCO was issued by the Central Government under section 3 of the ECA and in supersession of the Drugs (Prices Control) Order, 1995, thereby giving effect to the 2012 Policy. The DPCO 2013, inter alia, provides that the Central Government may issue 94 directions to the manufacturers of active pharmaceutical ingredients or bulk drugs and formulations to increase production or sell such active pharmaceutical ingredient or bulk drug to such manufacturer of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency, procedures for fixing the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drug for existing manufacturers of scheduled formulations, method of implementation of prices fixed by Government and penalties for contravention of its provisions. The Government has the power under the DPCO 2013 to recover amounts charged in excess of the notified price from the manufacturer, importer or distributor and the said amounts are to be deposited in the Drugs Prices Equalization Account. The DPCO 2013 prescribes certain instances in which case the provision of the DPCO 2013 will not be applicable. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. However, the prices of other drugs can be regulated, if warranted in public interest.

The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 (the “Sale of Goods Act”) governs contracts relating to sale of goods in India. The Contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as —Micro enterprise, where the investment in plant and machinery does not exceed twenty five lakh rupees; —Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a Medium enterprise, where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, —Micro Enterprise, where the investment in equipment does not exceed ten lakh rupees, —Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or — Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupee.

STATUTORY AND BUSINESS LAWS

The Companies Act, 2013

The Companies Act, 2013 came into existence by repealing the Companies Act, 1956 in a phased manner. It received the assent of the President on August 29, 2013. The Ministry of Corporate Affairs has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the

Companies Act, 2013. The Companies Act, 2013 deals with matters related to Incorporation of Companies, Prospectus and allotment of securities, share capital and Debentures, Acceptance of Deposits by Companies, Management and Administration, Appointment and Qualifications of Directors and other matters incidental thereto which are necessary for better Corporate Governance, bringing in more transparency in relation to Compliances and protection of shareholders & creditors.

The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

LAWS RELATING TO EMPLOYMENT AND LABOUR

Minimum Wages Act, 1948

This Act aims to make provisions for statutory fixation of minimum rates of wages in scheduled employment wherein labour is not organized. It seeks to prevent the exploitation of workers and protect their interest in the 'sweated industries'. Wage fixing authorities have been guided by the norms prescribed by the Fair Wage Committee in the settlement of issues relating to wage fixation in organized industries. The Act contemplates the minimum wage rates must ensure not only the mere physical needs of a worker which keeps them just above starvation level, but must ensure for him and his family's subsistence, and also to preserve his efficiency as a worker.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PW Act") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("Act") was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity." The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (Form D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract

labor in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labor. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Workmen's Compensation Act, 1923

This Act came into force on April 01, 1924. It aims at providing financial protection to workmen and their dependents in case of accidental injury by means of payment of compensation by the employers. However, here the employer shall not be liable in respect of any injury that does not result in the total or partial disablement of the workmen for a period exceeding 3 days in respect of any injury not resulting in death, caused by an accident which was due to the reason that workman was under the influence of drugs, or due to his willful disobedience of an order expressly given to him, or a willful removal or disregard of any safety device by the workmen, or when the employee has contracted a disease which is not directly attributable to a specific injury caused by the accident or to the occupation.

THE EMPLOYEES PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social welfare legislation to provide for the institution of Provident Fund, Pension Fund and Deposit Linked Insurance Fund for employees working in factories and other establishments. The Act aims at providing social security and timely monetary assistance to industrial employees and their families when they are in distress.

The Act is administered by the Government of India through the Employees' Provident Fund Organization (EPFO). The following three schemes have been framed under the Act by the Central Government:

- (a) The Employees' Provident Fund Schemes, 1952;
- (b) The Employees' Pension Scheme, 1995; and
- (c) The Employees' Deposit-Linked Insurance Scheme; 1976.

The Central Government has been constituted Employees' Provident Funds Appellate Tribunal to exercise the powers and discharge the functions conferred on such by Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Employees State Insurance Act, 1948

The promulgation of Employees' State Insurance Act, 1948 (ESI Act), by the Parliament was the first major legislation on social Security for workers in independent India. It was a time when the industry was still in a nascent stage and the country was heavily dependent on an assortment of imported goods from the developed or fast developing countries. The deployment of manpower in manufacturing processes was limited to a few select industries such as jute, textile, chemicals etc. The legislation on creation and development of a fool proof multi-dimensional Social Security system, when the country's economy was in a very fledgling state was obviously a remarkable gesture towards the socio-economic amelioration of a workforce though limited in number and geographic distribution. India, notwithstanding, thus, took the lead in providing organized social protection to the working class through statutory provisions.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW ACT")

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favour or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

TAX LAWS

The Income Tax Act, 1961

The Income Tax Act deals with computation of tax liability of individuals, corporates, partnership firms and others. The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

The Goods and Service Tax (GST)

GST is an Indirect Tax which has replaced many Indirect Taxes in India. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017. The Act came into effect on 1st July 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST has mainly removed the Cascading effect on the sale of goods and services. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

INTELLECTUAL PROPERTY LEGISLATION

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- The Trademarks Act, 1999; and
- Design Act, 2000.

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Trademark Act, 1999

The Trademark Act, 1999 was developed keeping in view the need for simplification of and harmonization of Trademarks system, registration and statutory protection for the purpose of prevention of the use of fraudulent marks in India. 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. An application for trademark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it. Once granted, trademark registration is valid for ten years unless cancelled, which may be renewed for similar periods on payment of a prescribed renewal fee. The Trademarks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

Designs Act, 2000 (“Designs Act”)

Industrial designs have been accorded protection under the Designs Act. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or color or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded

other kinds of protection like property marks, Trademarks and Copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trademarks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

GENERAL LEGISLATIONS

Consumer Protection Act, 2019 (“CPA”) and rules framed thereunder

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing. In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

The Arbitration and Conciliation Act, 2015 (“Arbitration Act”)

The Arbitration Act was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act are to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

The 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. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Transfer of Property Act, 1882 (“TP Act”)

The Transfer of Property Act, 1882 (the “TP Act”) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

The Information Technology Act, 2000

The Information Technology Act, 2000 (the IT Act) is an Act of the Indian Parliament notified on October 17, 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber-crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, and the unauthorized disclosure of confidential information and computer fraud.

The Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

The Registration Act, 1908

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

Negotiable Instruments Act, 1881

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheque without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheque on the ground of insufficiency of funds in the account maintained by a person with the banker.

REGULATION FOR IMPORT & EXPORT

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

FEMA Regulations

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 FIPB 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, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. 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 Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

HISTORY AND CORPORATE STRUCTURE

Our Company was incorporated as ‘Royal Sense Limited’ under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated April 06, 2023, issued by the ROC, Central Registration Centre having CIN as U21006DL2023PLC412051. Later, on April 28, 2023, the running business of the proprietorship concern of our Promoter namely “Royal Traders, PHT & Anaya” was taken-over by the company, along with the assets and liabilities of the proprietorship concern as going concern. Mr. Rishabh Arora is the Promoter of our Company. For further details of Our Promoters please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 98 of this Draft Prospectus.

ADDRESS OF THE REGISTERED OFFICE:

Registered Office	Plot No. 57, First Floor, Phase-II Badli Industrial Estate, Badli Ind. Badli, North West Delhi, Delhi-110042 IN
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CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

Date of Change	Changed From	Changed To	Reason for change
July 01, 2023	Shop No. G-9, Ground Floor, Shivam Plaza, Sec-21, Rohini Begumpur Delhi North West Delhi-110086	Plot No. 57, Ground Floor, Badli Industrial Estate, Badli Ind. Area Ph-2, Delhi-110042	Administrative Reasons

Except as mentioned above the company has not changed its registered address since its incorporation.

Initial Subscribers to the Company

Gaurav Arora, Rishabh Arora, Harmeet Singh, Charan Dev Arora, Sushma Arora, Vipin Pratap Singh & Meenakshi Arora were the initial subscribers to the Memorandum of Association of our Company.

MAIN OBJECTS OF MEMORANDUM OF ASSOCIATION

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

1. To buy, sell, supply, store, stock, maintain, manufacture or otherwise deal in all kinds and varieties of Personal Protective Equipment (PPE)/Products including but not limited to Face protection, goggles and masks or face shield, gloves, gown or coverall, head cover, rubber boots, sanitizer, surgical equipment’s, medical devices, generic and patent/ non-patent medicines ,drugs, mixtures, formulations, tablets, pills, powder, pharmaceuticals and medical products, health products/supplements, needles, syringes, inject able, vaccines, sera, immunogens, chemicals, oils and surgical dressings, kits and instruments and other relevant items/products
2. To buy, sell, supply, store, stock, maintain, manufacture or otherwise other perfumes and toilet Preparations like Hand Sanitizer, Perfumes which used to clean hands, kills germs on contact, forms a protective barrier around hands to help defend against germs up to 5 hours, prevents passing of germs through hands, eaves hands smelling fresh and clean and body from the bacteria’s and others things.
3. To buy, sell, supply, store, stock, maintain manufacture or otherwise of medical Impregnated wadding, gauze, bandages, dressings, surgical gut string etc.
4. Any other activity and Business operations which are ancillary and supporting to the above-mentioned activities to run and perform the business.
5. To purchase, acquire and take over as a going concern, the business carried on by proprietorship firm in the name and style of “M/s. Royal Traders, PHT & Anaya”, situated at G-9, Shivam Plaza, Sector-21, Rohini, Delhi-110086 together with all assets and liabilities used in connection therewith by Royal Sense Limited.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
April 19, 2023	EGM	Increase in Authorized Share Capital from Rs. 10.00 Lakhs to Rs. 500.00 Lakhs
April 26, 2023	EGM	Addition in the Object Clause III(A) of the Company by inserting new sub clause (5) of the Memorandum of Association of the Company as under: <i>To purchase, acquire and take over as a going concern, the business carried on by proprietorship firm in the name and style of "M/s. Royal Traders, PHT & Anaya", situated at G-9, Shivam Plaza, Sector-21, Rohini, Delhi-110086 together with all assets and liabilities used in connection therewith by Royal Sense Limited.</i>

ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY

Our Company was originally incorporated on April 06, 2023 under the provisions of the Companies Act, 2013.

MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth some of the major events in the history of our company:

Year/F.Y.	Key Events / Milestone / Achievements
2015	Starting the business under proprietorship as M/s Royal Traders
2018	Starting the business under proprietorship as M/s PHT
2020	Starting the business under proprietorship as M/s Anaya
2023	Incorporation of our Company as "Royal Sense Limited" under the Companies Act, 2013 on April 06, 2023.
2023	Acquisition of the running business of Royal Traders, PHT & Anaya vide business purchase agreement dated May 05, 2023

OTHER DETAILS ABOUT OUR COMPANY

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 68, 130 and 56 respectively. 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 page 86 and 43 respectively.

CAPITAL RAISING (DEBT / EQUITY)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 43.

OUR MANAGEMENT

BOARD OF DIRECTORS

In terms of our Articles of Association, our Company is required to have not less than 3 directors and not more than 15 directors. As on the date of this Draft Prospectus we have 5 (Five) Directors on our Board.

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

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Change in Current Designation	Other Directorships
1.	<p>Mr. Rishabh Arora Designation: Managing Director and Chief Financial Officer (CFO) Age: 39 years Father's Name: Mr. Charan Dev Arora Address: B-7/189, SECTOR-4 Rohini Delhi 110085 Term: Originally appointed as Director w.e.f. April 06, 2023 and further re-designated as Managing Director for a period of three years, with effect from April 20, 2023, liable to retire by rotation Nationality: Indian Occupation: Business DIN: 09745543</p>	Initial Appointment on April 06, 2023	Public Limited Companies: Nil Private Limited Companies: TTG Innovations Private Limited Foreign Companies: Nil
2.	<p>Mr. Gaurav Arora Designation: Director Age: 36 years Father's Name: Mr. Charan Dev Arora Address: B-7/189 Sector-4, Rohini North West Delhi 110085 Term: Originally appointed as Director w.e.f. April 06, 2023, liable to retire by rotation Nationality: Indian Occupation: Business DIN: 09147720</p>	Initial Appointment on April 06, 2023	Public Limited Companies: Nil Private Limited Companies: TTG Innovations Private Limited Foreign Companies: Nil
3.	<p>Mr. Amit Singh Tomar Designation: Independent Director Age: 41 Father's name: Mr. Shiv Nath Sing Tomar Address: 76, Hanspur, Hanspuram, Near Hanspuram Police Chauki Naubast A, Kumhau Pur Kanpur Nagar Uttar Pradesh 208021 Term: 5 Years Nationality: Indian Occupation: Business DIN: 10063772</p>	June 06, 2023	Public Limited Companies: Nil Private Limited Companies: Nil Foreign Companies: Nil
4	<p>Mr. Harmeet Singh Designation: Whole Time Director Age: 39 Father's Name: Mr. Jaspal Singh Address: 150, Punjabi Colony, Narela, Delhi Term: For a period of three years, with effect from April 20, 2023, liable to retire by rotation Nationality: Indian Occupation: Business DIN: 10103440</p>	April 06, 2023	Public Limited Companies: Nil Private Limited Companies: Nil Foreign Companies: Nil

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Change in Current Designation	Other Directorships
5	Ms. Mukta Ahuja Designation: Independent Director Age: 41 Father's name: Mr. Raj Kumar Bhatia Designation: Independent Director Address: H NO-5 E-6 B P, Opposite Dargah Mandir, N I T 5 Faridabad Haryana121001, Enclaves, Shakarpur, Delhi-110092 Term: For 5 Years Nationality: Indian Occupation: Business DIN: 10160572	May 12, 2023	Public Limited Companies: Nil Private Limited Companies: Nil Foreign Companies: Nil

Brief Biographies of the Directors of our Company

Mr. Rishabh Arora, aged 39 years, is the Promoter, Chairman and Managing Director of our Company. He has been director on the Board since incorporation. He has completed M.sc Psychology from University of Rajasthan and D-Pharmacy from Hindu College of Pharmacy, Sonipat (Haryana). He has more than Eighteen years of experience being a Pharmacist. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company including business development, administration and formulation of policies. Under his guidance our Company has witnessed continuous growth.

Mr. Gaurav Arora, aged 36 years, is Director of the Company since incorporation. He has completed M.sc Psychology from University of Rajasthan; and, D-Pharmacy from Hindu College of Pharmacy Sonipat (Haryana). He is also registered as Pharmacist in Delhi Pharmacy Council He has more than Ten years of experience being a Pharmacist and also having rich experience in trading pharmaceutical and surgical equipment's

Mr. Harmeet Singh, aged 39 years, is Whole Time Director of the Company. He has been director on the Board since incorporation. He has completed B.Com from V.B.S Purvanchal University, Jaunpur and having more than Ten years of experience in the fields of Operations and Sales.

Mr. Amit Singh Tomar, aged 41 years, is Independent Director of the Company. He is a Qualified Company Secretary and a B.com graduate and has rich experience of 6 years in the Secretarial and Legal works. He has been appointed on the board with effect from April 20, 2023 for a term of 5 years.

Ms. Mukta Ahuja, aged 41 years, is Independent Director of the Company. She is a Qualified Company Secretary and a B.com graduate and has experience of 4 years in the Secretarial works. She has been appointed on the board with effect from May 12, 2023 for a term of 5 years.

CONFIRMATIONS

As on the date of this Draft Prospectus:

1. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entities, pursuant to which any of the Directors or Key Management Personnel were selected as a Director.
2. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
3. None of the Directors is categorized as a willful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
4. None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.

Family Relationships between the Directors

None of the directors of our Company have family relationship except for the ones mentioned below:

Name of Directors	Related to
Rishabh Arora	Brother of Gaurav Arora
Gaurav Arora	Brother of Rishabh Arora

Compensation and remuneration to Managing/ Whole-time Directors

The remuneration payable to our Managing/ Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sub-Section (54) and Sub-Section (94) of Section 2 of the Companies Act, 2013, read with Section 196, Section 197, Section 198, and Section 203 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The details of remuneration paid and perquisites given to Managing Director and Executive Director for services rendered by them to the Company during the Financial Year 2023:

Mr. Rishabh Arora

Particulars	Remuneration
Basic Salary	₹2,00,000/- p.m.
Designation	Managing Director
Term	For a period of 3 years effecting from April 20, 2023
Remuneration paid upto July 31, 2023	₹8,00,000/-

Mr. Harmeet Singh

Particulars	Remuneration
Basic Salary	₹50,000/- p.m.
Designation	Director
Term	For a period of 3 years effecting from April 20, 2023
Remuneration paid upto July 31, 2023	₹2,00,000/-

Sitting Fees or benefit to Non-Executive Directors of our Company

Apart from the remuneration of our Managing/ Whole-time Directors and Executive Director as provided above, our Non-Executive Directors and Independent Directors are entitled to be paid sitting fees up to the limits prescribed by the Companies Act. They may also be paid commissions and any other amounts as may be decided by the Company in accordance with the provisions of the Articles, the Act and any other applicable Indian laws and regulations.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of filing of this Draft Prospectus, except the following, none of our Directors holds any Equity Shares of our Company:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of	
			Pre-Issue Capital (%)	Post-Issue Capital (%)
1.	Rishabh Arora	34,50,140	99.99%	[●]%
2.	Gaurav Arora	1	0.001%	[●]%
3.	Harmeet Singh	1	0.001%	[●]%
	Total	34,50,142	99.99%	[●]%

Borrowing Powers of the Board

Our Articles of Association, subject to the provisions of clause (c) of Sub-Section (1) of Section 180 of the Companies Act, 2013, authorizes our Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company.

The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on July 25, 2023, in accordance with the provisions of clause (c) of Sub-Section (1) of Section 180 of the Companies Act, 2013, have authorized our Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed ₹5,000.00 Lakhs.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled '177' beginning on page 177 of this Draft Prospectus.

Bonus or profit sharing plan for the Directors

Our Company does not have any bonus or profit-sharing plan for our directors.

Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation as on the date of filing this Draft Prospectus. Further, there is no contingent or deferred compensation accrued for the year, which is payable to our directors as on the date of filing this Draft Prospectus.

INTERESTS OF OUR DIRECTORS

Our directors may be deemed interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration paid to them or services rendered as a Director of our Company and reimbursement of expenses payable to them.

Further, except as disclosed under sub-section '*Shareholding of Directors in our Company*' above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue.

Our directors may also be deemed interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as disclosed in this Draft Prospectus, no sum has been paid or agreed to be paid to any of our Directors or to any firm or company in which Director is a partner or member, in cash or shares or otherwise by any person either to induce such Director to become, or to qualify as, a director, or otherwise for services rendered by such Director or by such firm or company in connection with the promotion or formation of our Company.

Interest in promotion of our Company

Our Promoter Directors are interested in our Company to the extent that of promotion our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. As of the date of this Draft Prospectus, our Promoters hold an aggregate of 3450140 Equity Shares, aggregating to 99.99% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoter, please refer to paragraph titled '*Notes to Capital Structure*' under the section titled '*Capital Structure*' beginning on page 43 of this Draft Prospectus.

Further, except as stated in this section titled '*Our Management*' and the section titled '*Financial Statement*' beginning on page 86 of this Draft Prospectus respectively and to the extent to remuneration received/ to be received by our Directors, none of our Directors any interest in the promotion of our Company.

Interest in property, land, construction of building, supply of machinery

Our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of filing this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in "**SECTION IX FINANCIAL INFORMATION**" on page 105 of this Draft Prospectus.

Interest in the business of Our Company

Save and except as stated otherwise in Related Party Transaction in the chapter titled '**SECTION IX FINANCIAL INFORMATION**' beginning on page 105 of this Draft Prospectus, Our Directors do not have any other interests in our Company as on the date of this Draft Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Bonus or Profit-Sharing Plan for the Directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and Deferred Compensation Payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Other Indirect Interest

Except as stated in chapter titled – **SECTION IX FINANCIAL INFORMATION** beginning on page 105 of this Draft Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

Changes in our Company’s Board of Directors during the last three (3) years

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Appointment/ Re-appointment	Reasons for Change
Rishabh Arora	Re-Designation as Managing Director of the Company w.e.f. April 20, 2023	To ensure better Corporate Governance and compliance with Companies Act, 2013
Harmeet Singh	Re-Designation as Whole Time Director of the Company w.e.f. April 20, 2023	To ensure better Corporate Governance and compliance with Companies Act, 2013
Amit Singh Tomar	Appointment as Independent Director of the Company w.e.f. April 20, 2023	To ensure better Corporate Governance and compliance with Companies Act, 2013
Mukta Ahuja	Appointment as Independent Director of the Company w.e.f. May 12, 2023	To ensure better Corporate Governance and compliance with Companies Act, 2013

Arrangements or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Prospectus.

Service Contracts

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

Common directorships of the Directors in companies whose shares are/were suspended from trading on the stock exchange(s) for a period beginning from five (5) years prior to the date of this Draft Prospectus

None of the Directors is/ are directors 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 (5) years.

Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

None of the Directors is/ are directors of any entity whose shares were delisted from any Stock Exchange(s).

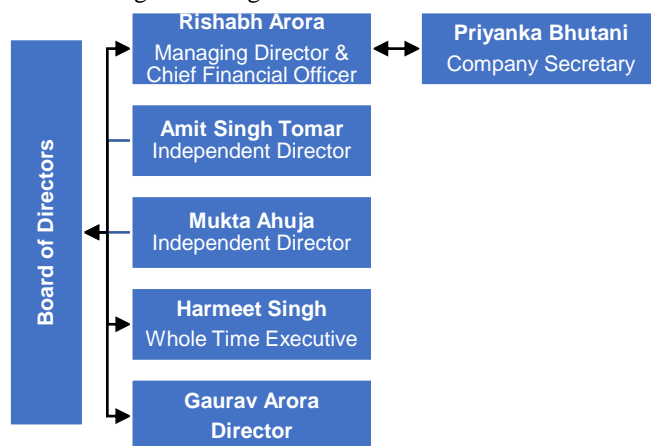
Appointment of relatives of our directors to any office or place of profit

Other than as disclosed in this Draft Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

Further, none of the directors is/ are directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

MANAGEMENT ORGANIZATIONAL STRUCTURE

The following chart depicts our Management Organization Structure:



COMPLIANCE WITH CORPORATE GOVERNANCE

Applicable provision of the Companies Act, 2013 with respect to corporate governance and the provisions of the SEBI (LODR) Regulations, as amended from time to time, will be applicable to our Company upon the listing of the Equity Shares with the Stock Exchanges. As on date of this Draft Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. 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.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on May 12, 2023 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended).

The constituted Audit Committee comprises following members:

Name of Director	Status in Committee	Nature of Directorship
Mukta Ahuja	Chairperson	Independent Director
Amit Singh Tomar	Member	Independent Director
Rishabh Arora	Member	Managing Director/CFO

The Company Secretary of our Company shall act as a secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements.

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

A. Tenure

The Audit Committee shall continue to be in function as a Committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Quorum and meetings of the Audit Committee

The Audit Committee shall meet at least four (4) times in a year and not more than one hundred twenty (120) days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the Audit Committee, whichever is higher but there shall be presence of minimum two Independent Directors at each meeting.

C. Role and Powers

The role of Audit Committee together with its powers as Part C of Schedule II of SEBI (LODR) Regulations and Companies Act, 2013 shall be as under:

- (a) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (b) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (c) Examination and reviewing of the financial statement and the auditors' report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub-Section (3) of Section 134 of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- (d) Examination and reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (e) Approval or any subsequent modification of transactions of the Company with related parties
- (f) Scrutiny of inter-corporate loans and investments
- (g) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (h) Evaluation of internal financial controls and risk management systems;
- (i) Monitoring the end use of funds raised through public offers and related matters;
- (j) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (k) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (l) 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;
- (m) Discussion with internal auditors of any significant findings and follow up thereon;
- (n) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (o) 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;

- (p) 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);
- (q) Approval of appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. Of the candidate;
- (r) Reviewing the Management discussion and analysis of financial condition and results of operations;
- (s) Reviewing the Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (t) Reviewing the Internal audit reports relating to internal control weaknesses;
- (u) Reviewing the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
- (v) Reviewing the functioning of the Whistle Blower mechanism;
- (w) Reviewing/ redressal of complaint/s under the Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013;
- (x) Establishment of a vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy in such manner as may be prescribed, which shall also provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;
- (y) Such other functions/ activities as may be assigned/ delegated from time to time by the Board of Directors of the Company and/ or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and SEBI (LODR) Regulations.

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated May 12, 2023.

The constituted Stakeholders Relationship Committee comprises of the following members:

Name of the Director	Status in Committee	Nature of Directorship
Mukta Ahuja	Chairperson	Independent Director
Amit Singh Tomar	Member	Independent Director
Gaurav Arora	Member	Non-Executive Director

The Compliance Officer of our Company shall act as a Secretary to the Stakeholders Relationship Committee.

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

A. Tenure

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Quorum and meetings of the Stakeholders Relationship Committee

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. The Stakeholder Relationship Committee shall meet at least at least one time in a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. Since the formation of the Stakeholders Relationship Committee, no Stakeholders Relationship Committee meetings have taken place.

C. Terms of Reference

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

- Considering and resolving the grievance of security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
- Such other functions / activities as may be assigned / delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Act read with SEBI (LODR) Regulations.

1. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated May 12, 2023. The Nomination and Remuneration Committee comprises of the following members:

Name of the Director	Status in Committee	Nature of Directorship
Mukta Ahuja	Chairperson	Independent Director
Amit Singh Tomar	Member	Independent Director
Gaurav Arora	Member	Non-Executive Director

The Compliance Officer or Chief Financial Officer of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

i. Tenure

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

ii. Quorum and meetings of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the Nomination and Remuneration Committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

iii. Terms of Reference:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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;
- Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing/ Deputy Managing/ Whole time/ Executive Director(s), including all elements of remuneration package;
- To ensure that the relationship of remuneration to perform is clear and meets appropriate performance benchmarks.
- Formulating, implementing, supervising and administering the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines;
- Carrying out any other functions as authorized by the Board from time to time or as enforced by statutory/ regulatory authorities.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of the Sub-Regulation (1) of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, as amended, will be applicable to our Company immediately upon the listing of Equity Shares. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, as amended, on listing of Equity Shares. Further, Board of Directors at their meeting held on May 09, 2023, has approved and adopted the policy on insider trading in view of the proposed public issue.

The Compliance Officer of our Company will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY AND MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (LODR) Regulations will be applicable to our Company immediately upon the listing of Equity Shares of our Company. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, as amended, on listing of Equity Shares. The Board of Directors at their meeting held on May 09, 2023 has approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

KEY MANAGERIAL PERSONNEL

Profile of Key Managerial Personnel

The details of the Key Managerial Personnel as on the date of this Draft Prospectus are set out below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

Mr. Rishabh Arora, aged 39 years, is the Promoter, Chairman and Managing Director of our Company. He has been director on the Board since incorporation. He has completed M.sc Psychology from University of Rajasthan and D-Pharmacy from Hindu College of Pharmacy, Sonipat (Haryana). He has more than Eighteen years of experience being a Pharmacist. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company including business development, administration and formulation of policies. Under his guidance our Company has witnessed continuous growth.

Mr. Harmeet Singh, aged 39 years, is Whole Time Director of the Company. He has been director on the Board since incorporation. He has completed B.Com from V.B.S Purvanchal University, Jaunpur. He has more than Ten years of experience in the fields of Operations and Sales.

Ms. Priyanka Bhutani, aged 36 years, was appointed as the Company Secretary w.e.f. May 01, 2023. She has completed Company Secretary from Institute of Company Secretaries of India. She is also Completed Master of Laws (L.L.M.). Before joining our Company, she has more than Ten years of experience in the fields of Compliance and law-tech and services industry. Previously worked with LexisNexis and Shardul Amarchand and Mangaldas.

Status of Key Management Personnel in our Company

All our Key Managerial Personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 70 years of age.

Shareholding of Key Management Personnel in our Company

The details of the shareholding of our Key Managerial Personnel as on the date of this Draft Prospectus are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of	
			Pre-Issue Capital	Post-Issue Capital
1.	Rishabh Arora	3450140	99.99%	72.64%
2.	Harmeet Singh	1	0.001%	[●]%
	Total	34,50,141	99.99%	72.64%

Interests of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Our Key Management Personnel may be deemed interested to the extent of Equity Shares that may be subscribed for and allotted

to them, pursuant to this Issue. Such Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Key Management Personnel may be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Payment of Benefits to Officers of Our Company (non-salary related)

Except as disclosed in this Draft Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards superannuation, ex-gratia rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled 'Financial Information' beginning on page 105 of this Draft Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoters.

Remuneration/ Compensation paid to our Key Managerial Personnel

Except as mentioned below, no other current Key Managerial Personnel have received remuneration/ compensation during the June 30, 2023:

₹ in Lakhs

Si. No.	Name of Person	Designation	Period ended June 30, 2023
1	Rishabh Arora	Managing Director/CFO	6.00
2	Harmeet Singh	Whole Time Director	1.50
3	Priyanka Bhutani	Company Secretary	0.40

Relationship among Key Managerial Personnel and among Key Management Personnel and directors

None of the Key Managerial Personnel is related to each other.

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as a key managerial personnel

None of the above Key Managerial Personnel has been selected pursuant to any major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as key managerial personnel.

Details of Service Contracts of the Key Managerial Personnel

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

Bonus and/ or Profit Sharing Plan for the Key Managerial Personnel

Our Company does not have any bonus and/ or profit-sharing plan for the Key Managerial Personnel. However, our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Contingent and Deferred Compensation payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.

Loans availed by Directors/ Key Managerial Personnel of our Company

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

Changes in Our Company's Key Managerial Personnel during the last three (3) years

Changes in our Key Management Personnel during the three years immediately preceding the date of this Draft Prospectus are set forth below: The Company has appointed following person as KMP.

Name of Employee	Designation	Date of Appointment	Date of Cessation
Rishabh Arora	Managing Director	April 06, 2023	-
Meenakshi Arora	Chief Financial Officer	May 01, 2023	June 15, 2023
Rishabh Arora	Chief Financial Officer	June 15, 2023	-
Harmeet Singh	Whole Time Director	April 06, 2023	-
Priyanka Bhutani	Company Secretary	May 01, 2023	-

Relationship among Key Managerial Personnel and among Key Management Personnel and directors

None of the Key Managerial Personnel is related to each other.

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as a key managerial personnel

None of the above Key Managerial Personnel has been selected pursuant to any major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as key managerial personnel.


Details of Service Contracts of the Key Managerial Personnel

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

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

Our Promoter is Rishabh Arora, as on date of this Draft Prospectus, our Promoters hold an aggregate of 34,50,140 Equity Shares, aggregating to 99.99% of the pre- issued, subscribed and paid-up Equity Share capital of our Company. For further details, please refer to the 'Capital Structure' beginning on page 43 of this Draft Prospectus.

	<p>Mr. Rishabh Arora, aged 39 years, is the Promoter, Chairman and Managing Director of our Company. He has been director on the Board since incorporation. He has completed M.sc Psychology from University of Rajasthan; and has completed his D-Pharmacy from Hindu College of Pharmacy from Sonipat (Haryana). He is also registered as Pharmacist in Delhi Pharmacy Council. He has more than Eighteen years of experience being a Pharmacist. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company including business development, administration and formulation of policies. Under his guidance our Company has witnessed continuous growth. For further details, please refer to section titled 'Our Management' beginning on page no 86 of this Draft Prospectus.</p> <p>Permanent Account Number: AJCPA3882F Date of Birth: April 22, 1984 Residential Address: B-7/189, Sector-4, Rohini, Delhi-110085</p>
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We confirm that the Permanent Account Number, Bank Account Number(s) and Passport Number of our Promoters have been submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

Further, our Promoters, members of our Promoter Group, and relatives of our Promoters have confirmed that they have not been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Neither our Promoters nor members of our Promoter Group or any persons in control have been debarred or restricted from accessing the capital markets for any reason, by SEBI or any other authorities. Our Promoters are not, nor have been promoter, director or person in control of any company, which is debarred or restricted from accessing the capital markets for any reason, by SEBI or any other authorities.

INTERESTS OF OUR PROMOTERS

Interest in the promotion of the Company

Our Promoter Directors are interested in our Company to the extent that of promotion our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. As of the date of this Draft Prospectus, our Promoters hold an aggregate of 34,50,140 Equity Shares, aggregating to 99.99% % of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoters, please refer to paragraph titled 'Notes to Capital Structure' under the section titled 'Capital Structure' beginning on page 43 of this Draft Prospectus.

Further, except as stated in this section titled 'Our Management' and the section titled –Financial Statement - Annexure 30 – Restated Summary of Related Party Transactions' beginning on page 43 and 118 of this Draft Prospectus respectively and to the extent to remuneration received/ to be received by our Directors, none of our Directors any interest in the promotion of our Company.

Interest in the property of Our Company

Except for the acquisition of the running business of M/s. Royal Traders, PHT and Anaya (i.e., proprietorship concern of our promoter) along with its assets and liabilities, our Promoter do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us as on date of Draft Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery Except for the acquisition of the running

business of M/s. Royal Traders, PHT and Anaya (i.e., proprietorship concern of our promoter) along with its assets and liabilities, none of our Promoter or directors are interested in any transaction for the acquisition of land, construction of building or supply of machinery

Interest as Guarantor

None of our Promoter have extended personal guarantees or collateral securities to the borrowing facilities availed by our Company.

Interest as a director

Mr. Rishabh Arora are also interested in our Company as the Managing Director to the extent the remuneration is payable to them in this regard.

For further details, see '*Our Management*' beginning on page 86 of this Draft Prospectus.

Interest in Other ventures of our Promoters

Our Promoters are not involved with any other ventures, except as disclosed in this Draft Prospectus. Further, our Promoters are not involved in any venture that is in the same line of activity or business as that of our Company.

Business Interests

Except as disclosed in this Draft Prospectus, the Promoters were interested as a member/partner of a firm or company, and a sum has been paid or agreed to be paid to the Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

For further details in relation to the same, please refer to the section titled 'Financial Information', beginning on page 105 of this Draft Prospectus.

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

Except as stated in 'Financial Information' beginning on page 105 of this Draft Prospectus, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group since the incorporation of the Company.

Material Guarantees given to Third Parties

As on the date of this Draft Prospectus, none of our Promoters have given material guarantees to the third party (ies) with respect to the Equity Shares of our Company.

Companies with which the Promoters has disassociated in the last three years

None of our Promoter have disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Promoter, Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, please refer to "Annexure 30 Restated Statement of Related Party Transaction" chapter titled "Financial Statements" beginning on page 118 of this Draft Prospectus.

Experience of Promoters in the line of business

Our Promoters are well experienced in the Company's line of business. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters, please refer to section titled '*Outstanding Litigations and Material Developments*' beginning on page 131 of this Draft Prospectus.

OUR PROMOTER GROUP

1. Natural Persons who are part of the Promoter Group

In addition to our Promoters named hereinabove, the following natural persons are part of our Promoter Group in terms of Regulation 2(1)(pp) (ii) of SEBI (ICDR) Regulations:

Relationship with the Relative	Name of the Relatives
Father	Charan Dev Arora
Mother	Sushma Arora
Spouse	Meenakshi Arora
Brother(s)	Gaurav Arora
Sister	-
Son/ Daughter	Tanvi Arora and Tanmay Arora
Spouse's Father	Prem Prakash Popli
Spouse's Mother	Asha Popli
Spouse's Brother	Deepak Popli
Spouse's Sister	Poonam Popli

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Anybody corporate in which Promoter or Immediate relative or a firm/ HUF in which core promoter or immediate relative is partner/ proprietor holds individually or collectively 20% shareholding and more.	TTG Innovations Private Limited
Anybody corporate in which a body corporate mentioned above holds 20% or more of the total shareholding.	Nil
Any HUF / Firm in which Core Promoter or Immediate relative holds individually or collectively 20% stake and more.	Nil

Other persons included in Promoter Group

Person also forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018 – Nil

GROUP ENTITIES OF OUR COMPANY

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated July 24, 2023 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfills both the below mentioned conditions: -

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations; and
- ii. Our Company has entered into one or more transactions with such company exceeding 10% of total revenue of the company as per Restated Financial Statements.

Based on the above, the following Companies are identified as our Group Companies: -

- i. TTG Innovations Private Limited

Details about our Group Company:

i. TTG Innovations Private Limited

TTG Innovations Private Limited was incorporated on April 15, 2021 as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre.

CIN	U52609DL2021PTC380139
PAN	AAICT5664J
Registered Office	45, Floor Ground, (DDA) Market Block-AP, Pitampura, Delhi-110034 IN

Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our company at <https://www.royalsense.in/>

It is clarified that such details available on our group companies' websites do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

Litigations

Our Group Companies does not have any pending litigation which can have a material impact on our Company.

Common pursuits among Group Companies

TTG Innovations Private Limited is engaged in the business of formulate, develop, refine trading, importing, exporting, buying, selling, supplying, packaging and dealing in medical and diagnostic items and equipment's which is similar line of business as of our Company. Our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. For further details, see "Risk Factor" on page 22.

Nature and extent of interest of our Group Companies

a) Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b) Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section “Financial Information –Related Party Transactions” on page 118, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section “Financial Information –Related Party Transactions” and “History and Corporate Structure” on page 118 and page 84, our Group Companies have no business interests in our Company.

Other confirmations

- a) None of the above-mentioned Group Companies has made any public and/ or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies are in defaults in meeting any Statutory/ bank/ institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Undertaking/ Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been:

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoter (as defined under the Companies Act) nor our Group companies /Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e., <https://www.royalsense.in/>

RELATED PARTY TRANSACTIONS

Following are the transactions occurred during the reported period ended on 30 June 2023

a) List of related parties

Category	Name	Nature of Relationship
Key Management Personnel (KMP)	Rishabh Arora	Managing director/CFO
	Harmeet Singh	Whole time director
	Gaurav Arora	Director
	Mukta Ahuja	Independent director
	Amit Singh Tomar	Independent director
	Priyanka Bhutani	Company Secretary
Entities in which KMP can exercise significant influence	M/s Arpan Traders	A proprietorship firm controlled by Ms. Meenakshi Arora wife of Mr. Rishabh Arora
	M/s Khaalsa Traders	A proprietorship firm controlled by Ms. Mandeep Kaur wife of Harmeet Singh
	TTG Innovations Private Limited	Mr. Rishabh Arora and Mr. Gaurav Arora hold position as Directors
Relative of KMP	Ms. Meenakshi Arora	Wife of Rishabh Arora
	Mr. Charan Dev Arora	Father of Mr. Rishabh Arora and Mr. Gaurav Arora
	Ms. Sushma Arora	Mother of Mr. Rishabh Arora and Mr. Gaurav Arora
	Ms. Tanvi Arora	Daughter of Rishabh Arora
	Mr. Tanmay Arora	Son of Rishabh Arora
	Ms. Mandeep Kaur	Wife of Mr. Harmeet Singh
	Ms. Paramjeet Kaur	Mother of Mr. Harmeet Singh
	Ms. Jasnoor Kaur	Daughter of Mr. Harmeet Singh
	Ms. Ashneer Kaur	Daughter of Mr. Harmeet Singh
Mr. Jasmeet Singh	Brother of Mr. Harmeet Singh	

(₹ in Lacs)

Related party name	Nature of transaction	For the period ended 30 June 2023
Balance at the end of period		
Rishabh Arora	Salary payable	4.95
M/s Arpan Traders	Sundry debtors	4.72
M/s Khaalsa Traders	Sundry debtors	75.16
TTG Innovations Private Limited	Sundry creditors	11.80
Transactions during the year		
Rishabh Arora	Salary	6.00
Harmeet Singh	Salary	1.50
M/s Arpan Traders	Sales	1665
M/s Khaalsa Traders	Sales	131.20
TTG Innovations Private Limited	Purchase	25.65

DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Draft Prospectus

SECTION IX FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS' INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To
The Board of Directors
Royal Sense Limited
First Floor, Plot No 57, Badli Industrial Area
Phase-II, Badli (North West Delhi)
New Delhi-110042

Dear Sir,

We have examined the attached Restated Financial Information of **Royal Sense Limited** (hereunder referred to “**the Company**”, “**Issuer**”) comprising the Restated Statement of Assets and Liabilities as at 30 June 2023 and the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the stub period ended on 30 June 2023, the summary statement of Significant Accounting Policies and other explanatory information (collectively referred as the “**Restated Financial Information**”) as approved by the Board of Directors in their meeting held on 24 July 2023 for the purpose of inclusion in the Draft Prospectus/ Red Herring Prospectus/ Prospectus (“**Offer Document**”) prepared by the Company in connection with its Proposed SME Initial Public Offer of Equity Shares (“**SME IPO**”) and prepared in terms of the requirement of :-

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013”as amended (the “**Act**”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) as amended (“**SEBI (ICDR) Regulations**”); and
- c) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”) as amended from time to time. (“**The Guidance Note**”).

The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Mumbai in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the period ended on 30 June 2023 on the basis of preparation stated Annexure 4.2 to the Restated Financial Information. The Board of Directors of the company’s responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information.

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 2 May 2023 in connection with the proposed IPO of equity shares of the Company;
- 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 SEBI (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.

These Restated Financial Information have been compiled by the management from:

- a) The financial statements of company as at and for the stub period ended on 30 June 2023 prepared by us in accordance with the Accounting Standards (referred to as “**AS**”) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India. The audit report on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements as at and for the period ended on 30 June 2023.

Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in respective financial period to reflect the same accounting treatment as per the changed accounting policy and grouping/classifications for all reporting periods, if any;
- b) have been made after incorporating adjustments for prior period and other material amounts in the respective financial period to which they relate and there are no qualifications which require adjustments;
- c) have been prepared in accordance with the Act, the SEBI (ICDR) Regulations, 2018 and the Guidance Note.
- d) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- e) There were no qualifications in the Audit Report issued by us for the period ended 30 June 2023 which would require adjustments in this Restated Financial Statements of the Company;
- f) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regrouping 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 - 4 to this report;
- g) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies;
- h) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;
- i) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement.
- j) The Company has not paid any dividend since its incorporation.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a) The “Restated Statement of Assets and Liabilities” as set out in ANNEXURE- 1 to this report, of the Company as at 30 June 2023 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE - 4 to this Report.
- b) The “Restated Statement of Profit and Loss” as set out in ANNEXURE - 2 to this report, of the Company for the stub period Ended on 30 June 2023 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE - 4 to this Report.
- c) The “Restated Statement of Cash Flow” as set out in ANNEXURE - 3 to this report, of the Company for the stub period ended on 30 June 2023 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated 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 - 4 to this Report.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the stub Period 6 April 2023 to 30 June 2023 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

Restated Statement of Share Capital, Reserves and Surplus	Annexure-5 & Annexure- 6
Restated Statement Principal Terms of Secured and Unsecured Loans	Annexure - 8
Restated Statement of Trade Payables	Annexure - 9

Restated Statement of Other Current Liabilities	Annexure - 10
Restated Statement of Fixed Assets	Annexure - 11
Restated Statement of Inventories	Annexure - 15
Restated Statement of Trade Receivables	Annexure - 16
Restated Statement of Cash & Cash Equivalents	Annexure - 17
Restated Statement of Other Current Assets	Annexure - 18
Restated Statement of Revenue from Operations	Annexure - 19
Restated Statement of Purchase of Stock-in-Trade	Annexure - 21
Restated Statement of Change in Inventories of Finished Goods	Annexure - 22
Restated Statement of Employee Benefit Expenses	Annexure - 23
Restated Statement of Finance Cost	Annexure - 24
Restated Statement of Depreciation & Amortization	Annexure - 25
Restated Statement of Other Expenses	Annexure - 26
Restated Statement of Cash Flows	Annexure - 3
Summary of Significant Accounting Policies and Notes to Accounts as restated	Annexure - 4
Material Adjustment to the Restated Financials	Annexure - 35
Restated Statement of Capitalization	Annexure - 36
Restated Standalone Statement of Accounting Ratios	Annexure - 32
Restated Standalone Statement of Related Party Disclosures	Annexure - 30

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE- 4 are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, TATTVAM & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

In our opinion, the above financial information contained in ANNEXURE – 1 to 36 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO for the Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without 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, TATTVAM & CO.
Chartered Accountants
Firm Registration: 015048N
Sd/-
Gaurav Saraf
(Partner)
Membership: 535309
UDIN:23535309BGZBAD2266
Date: 1 August 2023
Place: New Delhi

ANNEXURE- 1 RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹in Lakhs unless otherwise stated)

Particulars		Note No.	As at 30 June 2023
	EQUITY AND LIABILITIES		
I.	EQUITY AND LIABILITIES		
(1)	Shareholders' funds		
	(a) Share Capital	5	345.01
	(b) Reserves and Surplus	6	50.64
(2)	Non current liabilities		
	(a) Deferred tax liability (net)	7	0.10
(3)	Current liabilities		
	(a) Short term borrowings	8	27.13
	(b) Trade payables	9	182.11
	(c) Other current liabilities	10	26.18
	Total		631.18
II.	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment and Intangible assets		
	(i) Property, Plant and Equipment	11	3.68
	(ii) Intangible assets	12	0.22
	(b) Non-current investments	13	4.45
	(c) Other non-current assets	14	1.85
(2)	Current assets		
	(a) Inventories	15	70.37
	(b) Trade receivables	16	404.25
	(c) Cash & cash equivalents	17	112.16
	(d) Other current assets	18	34.20
	Total		631.18

ANNEXURE- 2 RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs unless otherwise stated)

	Particulars	Note No.	For the period 6 April 2023 to 30 June 2023
I.	Revenue from operations	19	464.02
II.	Other income	20	0.03
III.	Total income (I + II)		464.05
IV.	Expenses		
(a)	Purchase of stock in trade	21	445.37
(b)	Changes in inventories	22	(70.37)
(c)	Employee benefits expense	23	10.16
(d)	Finance costs	24	0.16
(e)	Depreciation	25	0.11
(f)	Other expenses	26	10.18
	Total Expenses		395.61
V.	Profit before Exceptional and Extraordinary Items and Tax (III - IV)		68.43
VI.	Exceptional Items		-
VII.	Profit before extraordinary items and tax		68.43
IX.	Profit before tax (VII-VIII)		68.43
X.	Tax expense :		
	(i) Current tax		17.69
	(ii) Deferred tax		0.10
XI.	Profit/ (Loss) from the period from continuing operations (IX - X)		50.64
XII.	Profit/ (Loss) from discontinuing operations		-
XIII.	Tax expense of discounting operations		-
XIV.	Profit/(Loss) from Discontinuing operations		-
XV.	Profit/ (Loss) for the period (XI + XIV)		50.64
XVI.	Earnings per equity shares (of Rs. 10/- each)		
	(i) Basic	27	1.47
	(ii) Diluted	27	1.47

ANNEXURE- 3 RESTATED STATEMENT OF CASH FLOWS

Particulars	For the period 6 April 2023 to 30 June 2023
<u>Cash flow from operating activities:</u>	
Net Profit before tax	68.43
Adjustments for:	-
Interest expenditure	0.16
Interest income	(0.03)
Depreciation	0.11
Operating Profit before Working Capital Changes	68.68
Adjustments for :	
(Increase)/Decrease in Inventories	(70.37)
(Increase)/Decrease in Trade Receivables	(404.25)
(Increase)/Decrease in other non current assets	(1.85)
(Increase)/Decrease in Other Current Assets	(34.20)
Increase/(Decrease) in Trade Payables	182.11
Increase/(Decrease) in Short term borrowings	27.13
Increase/(Decrease) in Other Current Liabilities	8.49
Net Cash flow from/ (used in) Operating Activities (A)	(224.26)
<u>Cash flow from Investing Activities :</u>	
Purchase of Fixed Assets	(4.00)
Interest income on fixed deposits	0.03
Investment in fixed deposit	(4.45)
Net cash flow from/ (used in) investing activities (B)	(8.42)
<u>Cash flow from financing activities</u>	
Proceeds from Issue of Share Capital	345.01
Finance cost paid	(0.16)
Net cash flow from/ (used in) financing activities (C)	344.85
Net increase/(decrease) in cash and cash equivalents (A+B+C)	112.16
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the closing of the period	112.16

a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note 15):

Particulars	For the period 6 April 2023 to 30 June 2023
Cash in hand	2.55
Balances with banks	
Current Account With Banks	109.61
	112.16

ANNEXURE – 4 SIGNIFICANT ACCOUNTING POLICY AND NOTES TO RESTATED FINANCIAL STATEMENTS

4.1 Company information

Our Company was incorporated as a public limited company under the name ‘Royal Sense Limited’ under the provision of the Companies Act, 2013 and a certificate of incorporation dated 6 April 2023 issued by the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs. The Corporate Identification Number is U21006DL2023PLC412051. The company is having its registered office at First Floor, Plot No 57, Phase-II, Badli Industrial Area Badli, North West Delhi, Delhi-110042. The Company had acquired the running business of the proprietorship firm, M/s Anaya, M/s PHT and M/s Royal Traders through Business Transfer Agreement dated 05 May, 2023. It has absorbed the business line & distribution network of firms.

4.2 Significant accounting policies

i) Accounting Convention

The financial statements are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

These Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (“ICDR Regulations”) as amended from time to time, issued by the Securities and Exchange Board of India (‘SEBI’) on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 for the purpose of inclusion in the Draft Prospectus (‘DP’) in connection with its proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares, prepared by the Company 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 from time to time; and
- (c) The Guidance Note on Reports in Parent Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”).

ii) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An 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 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 treated as current when it is:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non current.

Deferred tax assets and deferred tax 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.

iv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

v) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /Construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress".

vi) Intangible assets

Separately acquired intangible assets- Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangible assets- Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

vii) Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. 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 assets 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 assets.

viii) Depreciation

All fixed assets, except capital work in progress, are depreciated on Straight Line Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition /deletion as the case may be.

ix) Investments

Investments are classified into current investments and non-current investments. Current investments i.e., investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

x) Inventories

Inventories consist of Finished Goods are valued at Cost or Net Realizable Value, whichever is lower.

xi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments, if any shall be treated separately from cash and cash equivalent

xii) Revenue Recognition

Revenue from the operations is recognized on generally accepted accounting principles and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments. Interest income is recognized on time proportion basis, when it is accrued and due for payment.

xiii) Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

xiv) Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account for the year in which the related service is rendered.

Post-employment and other long-term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

xv) Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

xvi) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xvii) Foreign Currency Translation

a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at closing rate.

b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

xviii) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

xix) NOTES ON ACCOUNTS

The financial statements, including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

Segment Reporting

The Company at present is licensed to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs which constitutes a single business segment. In view of the above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS –17 are not applicable to the Company.

Post-Employment Benefits

Since the company has not completed 5 years from its incorporation so that provision for gratuity has not been valued.

Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on 30 June 2023.

Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, the enclosed financial statements.

Equity share capital

(All numbers in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	As at 30 June 2023
Authorized share capital	
50,00,000 Equity shares of ₹10 each	500.00
	500.00
Issued, subscribed & fully paid-up share capital	
34,50,146 Equity shares of ₹ 10 each	345.01
	345.01

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 30 June 2023
Shares of Rs. 10 each fully paid	
Shares outstanding at the beginning of the Period	-
Shares issued during the Period	34,50,146
Share outstanding at the end of the Period	34,50,146

b. Terms/rights attached to shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the company after distribution of all preferential amount in proportion to their shares.

c. Details of Shareholding more than 5% of the equity shares in the company

Name of shareholder	As at 30 June 2023	
	Nos	% of holding
Rishabh Arora	34,50,140	100%

d. Details of Promoter's Shareholding

Name of shareholder	As at 30 June 2023	
	Nos	% of holding
Rishabh Arora	34,50,140	100%

6 Reserves & Surplus
(₹ In Lakhs)

Particulars	As at 30 June 2023
Balance in Statement of Profit & Loss	
Balance as at the beginning of the Period	-
Add : Profit/(Loss) for the Period	50.64
Balance as at the end of the Period	50.64

7 Deffered tax liability
(₹ In Lakhs)

Particulars	As at 30 June 2023
Deffered tax liability	0.10
Total	0.10

8 Short term borrowings
(₹ In Lakhs)

Particulars	As at 30 June 2023
Term loan	27.13
Total	27.13

9 Trade Payables
(₹ In Lakhs)

Particulars	As at 30 June 2023
Total Outstanding dues of Micro and Small Enterprises*	-
Total Outstanding dues other than Micro and Small Enterprises	182.11
Total	182.11

*There are no vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006.

Trade payables ageing schedule
(₹ In Lakhs)

Particulars	Total
Due to MSME	
Less than one year	-
1-2 years	-
2-3 years	-
More than 3 years	-
Total	
Others	
Less than one year	182.11
1-2 years	-
2-3 years	-
More than 3 years	-
Total	182.11

10 Other Current Liabilities
(₹ In Lakhs)

Particulars	As at 30 June 2023
Advance from debtors	0.09
Rent Payable	1.28
Employee Benefit payable	4.95
Audit fee payable	1.00
Income tax payable	17.69
Statutory Dues payable	1.17
Bank OD	-
Total	26.18

11 Property, Plant and Equipment
(₹ In Lakhs)

Particulars	Office equipment's	Computer Equipments	Furnitures & Fixtures	Grand total
Gross Block				
As at 6 April 2023	-	-	-	-
Addition	2.71	0.21	0.86	3.78
Deletion	-	-	-	-
As at 30 June 2023	2.71	0.21	0.86	3.78
Accumulated Depreciation				
As at 6 April 2023	-	-	-	-
Addition	0.09	0.01	0.01	0.10
Deletion	-	-	-	-
As at 30 June 2023	0.09	0.01	0.01	0.10
Net block				
As at 6 April 2023	-	-	-	-
As at 30 June 2023	2.62	0.21	0.85	3.68

12 Intangible assets
(₹ In Lakhs)

Particulars	Other Intangible Assets	Grand total
Gross Block		
As at 6 April 2023	-	-
Addition	0.22	0.22
Deletion	-	-
As at 30 June 2023	0.22	0.22
Accumulated Depreciation		
As at 6 April 2023	-	-
Addition	0.00	0.00
Deletion	-	-
As at 30 June 2023	0.00	0.00
Net block		
As at 6 April 2023	-	-
As at 30 June 2023	0.22	0.22

13 Non-current investments
(₹ In Lakhs)

Particulars	As at 30 June 2023
Fixed deposit	4.45
Total	4.45

14 Other non-current assets
(₹ In Lakhs)

Particulars	As at 30 June 2023
Deposits	1.85
Total	1.85

15 Inventories
(₹ In Lakhs)

Particulars	As at 30 June 2023
Stock in trade	70.37
Total	70.37

16 Trade Receivables
(₹ In Lakhs)

Particulars	As at 30 June 2023
Secured, considered good	-
Unsecured, considered good	404.25
Doubtful	-
Total	404.25

Trade receivables ageing schedule
(₹ In Lakhs)

Particulars	As at 30 June 2023
Undisputed Trade receivables- considered good	
Less than 6 months	404.25
6 months-1 year	-
1-2 years	-
2-3 years	-
More than 3 years	-
Total	404.25
Undisputed Trade receivables- considered doubtful	
Less than 6 months	-
6 months-1 year	-
1-2 years	-
2-3 years	-
More than 3 years	-
Total	-

17 Cash and cash equivalents
(₹ In Lakhs)

Particulars	As at 30 June 2023
Cash and cash equivalents	
Cash in hand	2.55
Balances with banks	-
In Current Accounts	109.61
Total	112.16

18 Other Current Assets
(₹ In Lakhs)

Particulars	As at 30 June 2023
Other receivables	-
Balance with government authorities	-
GST Input	1.97
Accrued Interest	0.05
Advance to creditors	32.18
Bank Balance Receivable	-
Total	34.20

19 Revenue from operations
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Turnover from Sales of Products	-
Sales of Products	464.02
Revenue from operations	464.02

20 Other income
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Interest on FDR	0.03
Total	0.03

21 Purchase of Stock-in-Trade
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Purchases of stock in trade	445.37
Total	445.37

22 Changes in Inventory of WIP, finished goods & stock in trade
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Opening Stock of WIP, Finished Goods & Stock in Trade	-
Closing Stock of WIP, Finished Goods & Stock in Trade	70.37
Net Change in Inventory of WIP, Finished goods & Stock in Trade	-70.37

23 Employees Benefit Expenses
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Salary & Wages	10.16
Total	10.16

24 Finance Cost
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Interest on Bank OD	0.16
Total	0.16

25 Depreciation
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Depreciation Expenses	0.11
Total	0.11

26 Other Expenses
(₹ In Lakhs)

Particulars	For the period 6 April 2023 to 30 June 2023
Bank charges	0.00
Electricity & water expenses	0.23
Legal and professional fees	0.52
Legal & consultancy charges	5.57
Miscellaneous expenses	0.19
Discount	0.00
Postage & courier	1.02
Audit fees	1.00
Printing & stationery	0.01
Rent	1.60
Technical charges	0.04
Transportation charges	0.00
Total	10.18

27 Earning Per Share

Particulars	As at 30 June 2023
Basic earning per share	
Profit after tax	50.64
Weighted average number of shares (For Basic EPS)	34,50,146
Basic/Diluted EPS	1.47

28 Contingent Liabilities and Commitments

The Company does not have any contingent liabilities.

29 Segment Reporting

The Company is engaged primarily in the business of specific category of drugs and medical devices on PAN India basis. Accordingly, there are no separate reportable segments as per Accounting Standard 17 – “Segment Reporting”.

30 Related Party Transactions
a) List of related parties

Category	Name	Nature of Relationship
Key Management Personnel (KMP)	Rishabh Arora	Managing director/CFO
	Harmeet Singh	Whole time director
	Gaurav Arora	Director
	Mukta Ahuja	Independent director
	Amit Singh Tomar	Independent director
	Priyanka Bhutani	Company Secretary
Entities in which KMP can exercise significant influence	M/s Arpan Traders	A proprietorship firm controlled by Ms. Meenakshi Arora wife of Mr. Rishabh Arora
	M/s Khaalsa Traders	A proprietorship firm controlled by Ms. Mandeep Kaur wife of Harmeet Singh
	TTG Innovations Private Limited	Mr. Rishabh Arora and Mr. Gaurav Arora hold position as Directors
Relative of KMP	Ms. Meenakshi Arora	Wife of Rishabh Arora
	Mr. Charan Dev Arora	Father of Mr. Rishabh Arora and Mr. Gaurav Arora
	Ms. Sushma Arora	Mother of Mr. Rishabh Arora and Mr. Gaurav Arora
	Ms. Tanvi Arora	Daughter of Rishabh Arora
	Mr. Tanmay Arora	Son of Rishabh Arora
	Ms. Mandeep Kaur	Wife of Mr. Harmeet Singh
	Ms. Paramjeet Kaur	Mother of Mr. Harmeet Singh
	Ms. Jasnoor Kaur	Daughter of Mr. Harmeet Singh
	Ms. Ashneer Kaur	Daughter of Mr. Harmeet Singh
	Mr. Jasmeet Singh	Brother of Mr. Harmeet Singh

(₹ in Lakhs)

Related party name	Nature of transaction	For the period ended 30 June 2023
Balance at the end of period		
Rishabh Arora	Salary payable	4.95
M/s Arpan Traders	Sundry debtors	4.72
M/s Khaalsa Traders	Sundry debtors	75.16
TTG Innovations Private Limited	Sundry creditors	11.80
Transactions during the year		
Rishabh Arora	Salary	6.00
Harmeet Singh	Salary	1.50
M/s Arpan Traders	Sales	16.65
M/s Khaalsa Traders	Sales	131.20
TTG Innovations Private Limited	Purchase	25.65

31 Disclosure on significant ratios
i) Ratios

Particulars	As at 30 June 2023
Current Ratio	2.64
Return on Equity Ratio	0.13
Inventory turnover ratio	6.33
Trade Receivables turnover ratio	1.15
Trade payables turnover ratio	2.45
Net capital turnover ratio	1.20
Net profit ratio	0.11
Return on Capital employed	0.17

Methodology:

1. Current Ratio = Current Asset / Current Liability
2. Return on Equity Ratio = Profit After Tax / Total Equity
3. Inventory Turnover Ratio = Purchase / Inventory
4. Trade Receivable Turnover Ratio = Revenue from Operations / Trade Receivable
5. Trade Payable Turnover Ratio = Purchase / Trade Payable
6. Net Capital Turnover Ratio = Revenue from Operations / (Current Asset - Current Liability)
7. Net Profit Ratio = Profit After Tax / Revenue from Operations
8. Return on Capital Employed = EBIT / (Total Equity + Total Debt)

32 Restated Statement of Mandatory Accounting Ratios

(₹ in Lakhs, unless otherwise stated)

Particulars	As at 30 June 2023
Profit After Tax	50.64
EBITDA	68.70
Actual No. of Equity Shares outstanding at the end of the period	34,50,146
Weighted Average Number of Equity Shares at the end of the Period	34,50,146
Net Worth	395.66
Current Assets	620.98
Current Liabilities	235.42
Earnings Per Share	
Basic EPS	1.47
Diluted EPS	1.47
Return on Net Worth (%)	13%
Net Asset Value Per Share	11.47
Current Ratio	2.64
EBITDA	68.70
Nominal Value per Equity share (Rs.)	10.00

* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.

1) The ratios have been computed as below:

- (a) Basic earnings per share (Rs.) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period
 - (b) Diluted earnings per share (Rs.) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period for diluted EPS
 - (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period
 - (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
 - 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
 - 4) The figures disclosed above are based on the restated summary statements of the Company.
 - 5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

33 Other Notes

- i. The Company does not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company or is jointly held with others.
- ii The Company has not revalued any of its Property, plant and equipment during the period ended 30 June 2023.
- iii The Company has not granted any loans or advances which are in the nature of loans to promoters, directors, KMPs and the related parties as defined under Companies Act, 2013, that are repayable on demand or without specifying any terms or period of repayment.
- iv The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

- v The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- vi The Company does not have any relationship with struck off companies.
- vii The Company is in compliance with the number of layers for its holding in its subsidiary companies prescribed under clause Section 2 (87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- viii The Company does not have any approved scheme, to be complied with, under section 230 to 237 of the Companies Act, 2013.
- ix The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- x "The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- xi "The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

34 Events occurring after Balance Sheet date

Resolution passed for approving the initial public offer (IPO)

- a) Board meeting held on July 24, 2023
- b) Extraordinary General Meeting held on July 25, 2023

Annexure- 35 STATEMENT OF RESTATEMENT ADJUSTMENT TO AUDITED FINANCIAL STATEMENTS

Part A: Statement of Restatement Adjustments to Audited Financial Statements

There is no restatement adjustments to audited financial statements.

Part B: Material Regrouping

There is no material regrouping required in financial information.

Part C: Non Adjusting items

There are no Non Adjusting items

Annexure- 36
STATEMENT OF CAPITALIZATION

(₹ in Lakhs, unless otherwise stated)

Particulars	Pre offer	Post offer
Debts		
Short term debt	-	
Long term debt	-	
Total debt	-	
Shareholders' fund (equity)		
Share Capital	345.01	
Reserves & surplus	50.64	
Total Shareholders' fund (Equity)	395.66	
Long term debt/Equity ratio	-	
Total Debt/ Equity ratio	-	

Notes

Short term Debts represent which are expected to be paid/payable within 12 months

Long term Debts represent debts other than Short term Debts as defined above

The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30 June 2023

Since this is initial stages of issuing the DP and the Offer price of share is not known the post Offer position cannot be presented and revised capitalization statement will be inserted at the final Prospectus stage.--

CAPTIALISATION STATEMENT

(₹in lakhs, unless otherwise stated)

Particulars	Pre offer	Post offer
Debts		
Short term debt	-	
Long term debt	-	
Total debt	-	
Shareholders' fund (equity)		
Share Capital	345.01	
Reserves & surplus	50.64	
Total Shareholders' fund (Equity)	395.66	
Long term debt/Equity ratio	-	
Total Debt/ Equity ratio	-	

Notes

Short term Debts represent which are expected to be paid/payable within 12 months

Long term Debts represent debts other than Short term Debts as defined above

The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30 June 2023

Since this is initial stages of issuing the DP and the Offer price of share is not known the post Offer position cannot be presented and revised capitalization statement will be inserted at the final Prospectus stage.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 105. You should also read the section titled “Risk Factors” on page 22 and the section titled “Forward Looking Statements” on page 16 of this Draft Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.

Our 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 auditor which is included in this Draft Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

Business Overview

Our company was incorporated in 2023. Prior to the incorporation of the Company, our promoter Rishabh Arora was running the business in the sole proprietorships under the name “M/s Royal Traders, PHT and Anaya”. Later, on April 28, 2023, the ongoing business of the aforesaid proprietorships were acquired by Royal Sense Limited along with the assets and liabilities of the company. Our promoter was appointed as the managing director of the company and has been taking care of the overall operation and key business decisions of the company since then. With our absolute commitment to quality, careful attention and level of services.

Our Company is engaged in supply of high- quality goods that meet international standards required for hospitals, laboratories, institutions and clinics to provide health services. We trade and offer a wide range of surgical accessories, tools, equipment and other things. The supplied assortment can be modified according to the requirements of the clients and is offered in a wide range of parameters.

We work relentlessly with the right strategy, forward thinking and progressive ethos to position ourselves as the one-stop solution for customers looking to meet their complete needs for medical equipment, surgical instruments, surgical consumables, laboratory equipment, laboratory reagents, medical consumables, diagnostic equipment, pharmaceuticals and sanitary napkins.

In addition, we work tirelessly, which positions us as a one-stop solution for customers to meet their complete requirements for medical equipment, surgical instruments, surgical consumables, laboratory equipment, laboratory reagents, disposable medical supplies and diagnostic kits. We have extended our supply chain to government e-procurement systems, i.e. tender systems and GEM portal etc.

We supply our products to the Ministry of Health of Various states like Uttar Pradesh, Himachal Pradesh, Rajasthan, Jammu & Kashmir and in domestic we also supply to both to Govt. Institutions and private hospitals in all over India.

Financial Snapshot

For the period ending June 30, 2023 our total revenue as per Restated Financial Statements was ₹464.02 lakhs. Further, our profit after tax for the period ending June 30, 2023 as per Restated Financial Statements was ₹50.64 Lakhs.

Key Financial Performance	For the Period April 06, 2023 to June 30, 2023
Revenue from operations ⁽¹⁾	464.02
EBITDA ⁽²⁾	68.70
EBITDA Margin ⁽³⁾	0.15
PAT	50.64
PAT Margin ⁽⁴⁾	0.11

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues;

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations

Below are the financials of the proprietorship firm “M/s Royal Traders”

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure 4 of Restated Financial Statements beginning on page 124 of this Draft Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 22 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Increased competition in the industry in which we operate;
6. Our ability to grow our business;
7. Factors affecting Healthcare industry
8. Our ability to retain our key managements persons and other employees;
9. Changes in laws and regulations that apply to the industries in which we operate;
10. Company’s ability to successfully implement its growth strategy and expansion plans;
11. Our failure to keep pace with rapid changes in technology;
12. Our ability to maintain our relationships with domestic as well as foreign vendors and their inability to meet our products specifications and supply our products in timely manner;
13. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. Inability to successfully obtain registrations in a timely manner or at all;
15. General economic, political and other risks that are out of our control;
16. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. Any adverse outcome in the legal proceedings in which we are involved;
19. Concentration of ownership among our Promoters.
20. The performance of the financial markets in India and globally.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period ending June 30, 2023.

Particulars	For the period 6 April 2023 to 30 June 2023	% of total Income
Revenue from operations	464.02	99.99
Other income	0.03	0.01
Total income (I + II)	464.05	100
Expenses		
Purchase of stock in trade	445.37	95.97
Changes in inventories	(70.37)	-15.16
Employee benefits expense	10.16	2.19
Finance costs	0.16	0.03
Depreciation	0.11	0.02
Other expenses	10.18	2.19
Total Expenses	395.61	85.25
Profit before tax (VII-VIII)	68.43	14.75
Tax expense :		
(i) Current tax	17.69	3.81
(ii) Deferred tax	0.10	0.02
Profit/ (Loss)	50.64	10.91

Main Components of our Profit and Loss Account

Revenue from operations:

Revenue from operations mainly consists of revenue from trading goods related to Medical devices and surgical equipment’s.

Other Income:

Our other income primarily comprises of discount received.

Expenses:

Company's expenses consist of Purchase in stock in trade, (Increase) / decrease in inventories, Employee benefits expense, Finance costs, Depreciation expenses and other expenses.

Purchase of stock in trade:

Purchase stock in trade comprises of finished goods of drugs & medical devices for re-selling to medical institutes, authorized & unauthorized distributors of our product through-out India.

Changes in inventories:

Changes in inventories comprises of increase/decrease in the stock of trading goods.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries, wages & bonus expenses, gratuity expenses, Staff welfare expenses etc.

Finance Costs:

Our finance cost includes Interest expense on borrowings, other borrowing costs and Interest on statutory Dues.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Furniture & Fixtures, Vehicles, Office Equipment, and Computer Equipment etc.

Other Expenses:

Our other expenses consist of audit fees, insurance, rent paid, power & fuel cost, rates & taxes and miscellaneous expenses etc.

Financial Performance Highlights for the Period April 06, 2023 to June 30, 2023 (Based on Restated Financial Statements)

Total Income:

Total income for the period stood at ₹464.05 Lakhs. The total income consists of revenue from the sale of product and the other income.

Revenue from Operations

During the period, the net revenue from operation of our Company was ₹464.02 Lakhs. The main contribution to the revenue from operations is the sale of products.

Other Income:

During the period, the other income of our Company stood at 0.03 Lakhs. The main components of the other income are interest on FDR.

Purchase of stock in trade

Purchase of stock in trade comprises of the cost of goods purchase for trading. During the period, the Purchase of stock in trade of our Company stood at ₹445.37 Lakhs. The purchase of stock in trade was high due to the acquisition of the running business of the proprietorship concern of our promoter's proprietorships M/s Royal Traders, Anaya and PHT including all its assets and liabilities.

Employee benefits expense:

During the period, the employee benefits expenses of our Company stood at ₹10.16 Lakhs. The main components of the employee benefit expenses are Salaries, wages & bonus expenses, gratuity expenses and Staff welfare expenses.

Finance costs:

During the period, the finance cost of our Company stood at ₹0.16 Lakhs. The main components of the Finance cost include interest paid and other financial charges paid.

Depreciation and Amortization Expenses:

During the period, the Depreciation and amortization charges of our Company stood at ₹0.11 Lakhs.

Other Expenses:

During the period, the Other Expenses of our Company stood at ₹10.18 Lakhs. The main components are audit fees, insurance, rent paid, power & fuel cost and miscellaneous expenses etc.

Restated profit after tax:

The Company reported Restated profit after tax for period of ₹50.64 Lakhs

Cash Flows

The table below summarizes our cash flows for the period **April 06, 2023 to June 30, 2023**

Particulars	For the period 6 April 2023 to 30 June 2023
Net Cash flow from/ (used in) Operating Activities	(224.26)
Net cash flow from/ (used in) investing activities	(8.42)
Net cash flow from/ (used in) financing activities	344.85
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the closing of the period	112.16

Cash Flows from Operating Activities

For the period June 30, 2023

Net cash outflow from operating activities in for the period June 30, 2023 was ₹224.26 lakhs. Our operating profit before working capital changes was ₹68.68 Lakhs, which was primarily adjusted by increase in inventories, trade receivables, short term loans and advances, other current assets, trade payables and other current liabilities.

Cash Flows from Investment Activities

For the period June 30, 2023

Net cash flow used in investing activities for the period June 30, 2023 was ₹8.42 lakh. This was primarily on account of purchase of business of M/s Royal Traders, PHT and Anaya.

Cash Flows from Financing Activities

For the period June 30, 2023

Net cash used in financing activities for the period June 30, 2023 was ₹344.85 lakhs.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration, salary, loan and Issue of Equity Shares. For further details of related parties kindly refer chapter titled “ FINANCIAL INFORMATION” beginning on page 105 of this Draft Prospectus.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Prospectus, there are

no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties 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 “Risk Factors” beginning on page 22 of the Draft 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

Other than as described in the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 22, 68 and 124 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

The Company is in the business of trade and offer a wide range of surgical accessories, tools, equipment and other things. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page 62 of this Draft Prospectus.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter “Our Business”, our Company has not announced any new product or service.

7. Seasonality of business

Our Company’s business is not seasonal in nature.

8. Dependence on single or few customers or suppliers

The revenue of our company is not dependent on a few limited numbers of customers. We have a network of dealers and distributors who market our product to the ultimate consumer through retailers.

9. Competitive conditions

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages 62 and 68 respectively of this Draft Prospectus.

10. Details of material developments after the date of last balance sheet i.e., June 30, 2023.

After the date of last Balance sheet i.e., June 30, 2023, the following material events have occurred:

Resolution passed for approving the Initial Public Offer (IPO).

- Board Meeting held on 24th July, 2023
- Extraordinary General Meeting held on 25th July, 2023

FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Banks / Financial Institution in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities wherever applicable. As on June 30, 2023 our Company has total outstanding borrowings aggregating to ₹27.00 lakhs.

(₹ in lakhs)

Name of the Person/ Institution / Company	Type of Loan	Purpose	Nature of Tenure	Rate of Interest	Outstanding as on June 30, 2023
Bank of Maharashtra	Cash Credit against Deposit	Business Purpose	On Demand	8.35%	27.00
Total Borrowings					27.00

SECTION X LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by our Board as per the Materiality Policy (as defined below) in each case involving our Company, Promoters or Directors (“Relevant Parties”); or (v) any litigations involving our Group Companies which have a material impact on the business operations, prospects or reputation of our Company. There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Company, its Promoter or its Directors in the last five financial years, including any outstanding action.

Our Board, in its meeting held on July 24, 2023 determined that outstanding legal proceedings involving the Relevant Parties will be considered as material (‘Materiality Policy’) if:

- *the aggregate monetary claim made by or against the Company, Directors, or Promoters, as the case may be, in any such pending litigation or arbitration proceeding is in excess of 5 % of the profit after tax of the Company, in the most recently completed Financial Year as per the Restated Financial Statements; or*
- *in such litigation the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company,*

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated July 24, 2023. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of the revenue of the Company as per the Restated Financial Statements of our Company disclosed in this Draft Prospectus, would be considered as material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations.

Our Company does not have any subsidiaries and therefore, there are no outstanding litigation involving our subsidiaries which will have a material impact on our Company.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

A. LITIGATION INVOLVING OUR COMPANY

I. LITIGATION FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Matters: NIL
2. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
3. Litigation/Matters involving Tax Liabilities:
 - i. Direct Tax Liabilities: NIL
 - ii. Indirect Tax Liabilities: NIL
4. Other Pending Litigations: NIL

II. LITIGATIONS FILED BY OUR COMPANY

1. Litigation Involving Criminal Matters: NIL
2. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
3. Litigation Involving Tax Liabilities: NIL
4. Other Pending Litigations: NIL

B. LITIGATIONS INVOLVING OUR DIRECTORS

I. LITIGATIONS FILED AGAINST THE DIRECTORS

1. Litigation involving Criminal Matters: NIL
2. Litigation involving Actions by Statutory/Regulatory Authorities: NIL

3. Litigation Involving Tax Liabilities: NIL

II. LITIGATIONS FILED BY OUR DIRECTORS

1. Litigation involving Criminal Matters: NIL
2. Litigation involving Actions by Statutory/Regulatory Authorities: NIL
3. Litigation Involving Tax Liabilities: NIL
4. Other Pending Litigations: NIL

C. LITIGATION INVOLVING OUR PROMOTER

I. Litigation against our Promoter:

- a. Litigation involving Criminal Laws: NIL
- b. Litigation involving Civil Laws: NIL
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation involving actions by Direct / Indirect tax Authorities: NIL
- e. Other pending litigations: NIL

II. Litigation by our Promoter:

- a. Litigation involving Criminal Laws:
- b. Litigation involving Civil Laws: NIL
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation involving actions by Direct / Indirect tax Authorities: NIL
- e. Other pending litigations: NIL

D. LITIGATION INVOLVING GROUP COMPANIES

Our Company has no Group Company/ies.

E. LITIGATION MATTERS RELATED TO OUR SUBSIDIARY COMPANY

Our Company has no Subsidiary Company/ies.

F. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES

NIL

G. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY

NIL

H. 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 will be available on the website of our Company.

As on June 30, 2023, total creditors are ₹182.11 Lakhs and no amount were pending towards the Micro, Small and Medium Enterprises and hence disclosure in relation to amount unpaid together with interest payable have been furnished.

I. MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 124, there have been no material developments that have occurred after the Last Balance Sheet date.

J. OTHER MATERIAL INFORMATION

1. Material frauds committed against our Company

There have been no instances of material frauds committed against our Company since incorporation till the date of this Draft Prospectus.

2. Past cases where penalties imposed

There are no past cases since incorporation till the date of this Draft Prospectus, where penalties were imposed on our Company by concerned authorities.

3. Past inquiries, inspections and investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law since incorporation in the case of our Company till the date of this Draft Prospectus.

4. Fines imposed or compounding of offences

There have been no prosecutions filed by our Company and its Subsidiaries (whether pending or not) fines imposed, compounding of offences since incorporation till the date of this Draft Prospectus.

5. Proceedings initiated against our Company for economic offences

There are no pending proceedings initiated against our Company for any economic offences as on the date of this Draft Prospectus.

6. Defaults and non-payment of statutory dues

Our Company has no outstanding defaults in relation to statutory dues, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financial institution (including interest).

7. Outstanding litigation involving our Company, Directors or any other person whose outcome could have a material adverse effect on our Company

Our Company, Directors or any other person does not have any outstanding litigation whose outcome could have a material adverse effect on our Company.

8. Disciplinary action taken by SEBI or stock exchanges against our Company

There are no disciplinary actions taken by SEBI or stock exchanges against our Company or its Directors.

GOVERNMENT AND OTHER KEY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft 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 Offer 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 Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft 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

Our Company was incorporated as ‘Royal Sense Limited’ under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated April 06, 2023, issued by the ROC, Central Registration Centre having CIN as U21006DL2023PLC412051. Later, on April 28, 2023, the running business of the proprietorship concern of our Promoter namely “M/s Royal Traders, M/s PHT & M/s Anaya” was taken-over by the company, along with the assets and liabilities of the proprietorship concern as going concern. and Mr. Rishabh Arora is the Promoter of our Company. The Corporate Identity Number of our Company is U21006DL2023PLC412051.

APPROVALS IN RELATION TO THE OFFER

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on July 24, 2023 authorized the Offer, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. The shareholders of our Company have, pursuant to a special resolution passed in the extra ordinary general meeting of our Company held on July 25, 2023, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013.

Approvals from Stocks Exchange

1. Our Company has received in- principle listing approval from the BSE(SME)BSE SME dated [●] for listing of Equity Shares issued pursuant to the issue.

Agreements with NSDL and CDSL

1. The Company has entered into a tripartite agreement dated August 01, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated July 31, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

I. UNDER DIRECT AND INDIRECT LAWS

Sr. No.	Description	Applicable laws	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, Government of India	PAN: AAMCR5681F	April 06, 2023	Valid until cancellation

Sr. No.	Description	Applicable laws	Authority	Registration Number	Date of Certificate	Date of Expiry
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	Income Tax Department	TAN: DELR4566B	April 06, 2023	Valid until cancellation
3.	Goods & Service Tax Registration Certificate	Central Goods and Service Tax Act 2017	Government of India	GSTIN: 07AAMCR5681F1Z0	April 19, 2023	Valid until cancellation

II. OTHER BUSINESS APPROVALS

Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required. An indicative list of material approvals required by us to undertake our business is provided below:

Sr. No.	Description	Applicable laws	Issued By	Registration/Application Number	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of the Company in the name of "Royal Sense Limited"	The Companies Act, 2013	Deputy Registrar of Companies	U21006DL2023P LC412051	April 06, 2023	Valid until cancellation
2.	License To Sell, Stock Or Exhibit Or Offer For Sale, Or Distribute By Wholesale, Drugs	The Drugs and Cosmetics Act, 1940	Licensing Authority Department of Drugs Control Govt. of NCT of Delhi	DL-ROH 112163 And DL-ROH-112164	April 06, 2023	April 05, 2028
3.	Registration certificate of Establishment	Delhi Shops & Establishment Act, 1954	Department of Labour Government of National Capital Territory of Delhi	2023119209	August 09, 2023	NA
4.	Udyog Aadhaar	Ministry of Micro, Small and Medium Enterprises	Government of India	UDYAM-DL-06-0082490	May 01, 2023	Valid until cancellation
5.	Fssai License	Food Safety and Standards Authority of India License under FSS Act, 2006	Department of Food Safety Government of Delhi	13323001000309	May 19, 2023	May 18, 2024
6.	License To Sell, Stock Or Exhibit Or Offer For Sale, Or Distribute Medical Device including In Vitro Diagnostic Medical Device	Medical Devices Rules, 2017	Licensing Authority Department of Drugs Control Govt. of NCT of Delhi	RMD/DCD/23/ZO-5405/854	July 20, 2023	July 19, 2028
7.	Import Export Code (IEC)	Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade Ministry of Commerce and Industry	AAMCR5681F	May 18, 2023	Valid until cancellation

III. INTELLECTUAL PROPERTY

As on date of the Draft Prospectus, the Company has the following Trademark pending application:

Sr	Brand Name/Logo	Class	Application	Nature of the	Application	Status	Validity
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No.	Trademark		No.	Trademark	Date		
1.	Royal Sense	05	5909767	Device	25/04/2023	Formalities Check Pass	N/A

IV. THE DETAILS OF THE DOMAIN NAME IN THE NAME OF OUR COMPANY:

Domain name	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
royalsense.in	Registered With: GoDaddy.com LLC	April 06, 2023	April 05, 2028

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The issue has been authorized by the Board of Directors vide a resolution passed at its Meeting held on July 24, 2023 subject to the approval of the shareholders of the Company and such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on July 25, 2023 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled 'Government and Other Approvals' beginning on page 134 of this Draft Prospectus.

In-principle Listing Approval

We have received in principle approval from BSE Limited vide their letter dated [●] to use the name of BSE Limited in the Draft Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, our Directors, our Promoters, Promoter Group, our directors or the persons in control of our Company have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or director.

Further none of our Promoter's or Directors has been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

PROHIBITION BY RBI

Neither our Company, nor our Promoter's or Directors have been identified as a wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoter's or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Prospectus.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, our Promoter and Promoter Group follows the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Draft Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an "Unlisted Company" in terms of the SEBI (ICDR) Regulation; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue.

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post Issue face value capital does not exceed ten crores rupees, shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of BSE Limited i.e. BSE SME.

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the BSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

(a) The Issuer should be a company incorporated under the Companies Act 1956/2013.

Our Company was incorporated as ‘Royal Sense Limited’ pursuant to a Certificate of Incorporation dated April 06, 2023 issued by the Registrar of Companies, Central Registration Centre, Ministry of Corporate of Affairs, as a public limited company under the provisions of the Companies Act, 2013.

(b) The post issue paid up capital of the company (face value) shall not be more than Rs.25.00 Crores.

(c) The present paid-up capital of the Company is ₹345.01 Lakhs and we are proposing an issue of up to 14,50,000 Equity Shares of ₹10/- each aggregating to ₹145.00 Lakhs. Hence, the Post Issue Paid up Capital will be approximately ₹490.01 Lakhs which less than ₹2,500.0 Lakhs.

(d) The Proprietorship Firms i.e. M/s Royal Traders, M/s PHT & M/s Anaya, which has been taken over by our Company have combined track record of 3 years.

(₹ in lakhs)

Particulars	From April 6, 2023 to June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	464.02	1150.01	655.64	715.74
Profit before tax	68.43	125.83	19.30	21.43
Cash Accruals	68.54	126.36	19.96	23.08

(e) The Net-worth of our Company is Positive as per Restated Standalone Financial Statements.

(f) Our Company’s net worth and cash accruals from operations (earnings before depreciation and tax), based on the Restated Standalone Financial Statements included in this Draft Prospectus for the stub period ended on June 30, 2023 are set forth below:

Particulars	As at June 30, 2023
(a) Net Worth	
Share Capital (A)	345.02
Reserves & Surplus (B)	50.64
Net Worth (A+B)	395.66
(ii) Net Tangible Asset	
Total Assets (A)	631.18
Less: Intangible Assets included in the balance sheet (B)	
Less: Total Outside Liabilities (C)	235.52
Total Net Tangible Assets (A-B-C)	395.66
(iii) Cash Accruals	
Profit Before Tax (A)	68.43
Add: Depreciation and Amortization (B)	0.11
Total Cash Accruals (A+B)	68.54

(i) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

(ii) Net Tangible Assets is total tangible assets less outside liabilities.

(iii) Cash accruals has been defined as the Earnings before depreciation and tax from operations.

(g) Our Company has a website – www.royalsense.in

(h) Our Company had signed the tripartite agreements with both the Depositories and the Registrar and Share Transfer Agent.

(i) There is no change in the Promoters of the Company in preceding one year from date of filing the application to BSE for listing under SME segment.

- (j) The Company has not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.

Other Disclosures:

- a) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the Company except as disclosed under the chapter titled “*Outstanding Litigation and Material Developments*” on page 131 of this Draft Prospectus.
- b) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. Except as mentioned in the Draft Prospectus. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- c) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the company except as disclosed under the chapter titled “*Outstanding Litigation and Material Developments*” on page 131 of this Draft Prospectus.
- d) We have disclosed all details of the track record of the directors. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page 131 of this Draft Prospectus

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME platform. BSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
 - a. Tripartite agreement dated July 31, 2023 with NSDL, our Company and Registrar to the Issue;
 - b. Tripartite agreement dated August 01, 2023 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0QQG01019

- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter is in dematerialized form.
- The entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter “Objects of the Issue” on page 52 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- A. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- B. None of our Promoters or Directors is Promoter or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- C. Neither our Company nor our Promoters or Directors is a willful defaulter.
- D. None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.

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 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue was 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Issue size. For further details, pertaining to underwriting please refer to chapter titled “General Information” beginning on page 35 of this Draft Prospectus.

In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we will file the Prospectus with SEBI as well as stock exchange. However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.

In accordance with Regulation 261 of the SEBI ICDR Regulations, we shall enter into an agreement with the LM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the market making arrangement see chapter titled “of this Draft Prospectus

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 21, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

Note: All legal requirements pertaining to the Offer will be complied with at the time of registration of this Prospectus with the ROC in terms of section 26 and 28 of the Companies Act, 2013.

Disclaimer from our Company and the Lead Manager

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized 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 applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE Limited for its observations and BSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 where required agrees that such applicant will not sell or transfer any Equity Shares 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, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

BSE Limited ("BSE") has given vide its letter dated [●] permission to our Company to use its name in this Offer Document as one of the Stock Exchanges on which this company's securities are proposed to be listed on the SME PLATFORM OF BSE. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- Warrant that this company's securities will be listed or will continue to be listed on BSE; or
- Take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;
- warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever;
- BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof;

- The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

Application will be made to the “BSE Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

BSE Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six Working Days from the Issue Closing Date.

Disposal of Investor Grievances by our Company

Our Company has constituted a Stakeholders’ Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please refer to the chapter titled “Our Management” beginning on page 86 of this Draft Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be Ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has appointed Ms. Priyanka Bhutani, as the Company Secretary to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary are as follows:

Ms. Priyanka Bhutani

C/o Royal Sense Limited

Address: First Floor, Plot No 57, Phase-II, Badli Industrial Area, Badli, North West Delhi, Delhi-110042 India

Telephone: +91-9205843102

Website: <https://www.royalsense.in/>

Email id: compliance@royalsense.in

Investors can contact the Company Secretary or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”.

This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

The Company shall obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated December 18, 2014 in relation to redressal of investor grievances through SCORES. As on the date of this Draft Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Prospectus.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

CONSENTS

Consents in writing of: (a) The Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Offer, the Legal Advisors to the Offer, Banker to the Issue^(#), Bankers to the company, Market Maker^(#) and Underwriters to act in their respective capacities, have been or shall be duly obtained as the case may be and shall be filed along with a copy of the Prospectus with the ROC, as required under Section 26 and Section 28 of the Companies Act, 2013.

**The aforesaid will be appointed prior to filing of the Prospectus with ROC and their consents as above would be obtained prior to the filing of the Prospectus with ROC.*

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s TATTVAM & CO., Chartered Accountants, Statutory and Peer Review Auditors, have provided their written consent dated August 01, 2023 for the inclusion of their name and Statement of Tax Benefits dated August 01, 2023 on possible tax benefits which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

EXPERT OPINION

Except for the reports in the section titled “Financial Statements and “Statement of Tax Benefits” on page 105 and 55 respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions
Here, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act

PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Sr. No.	Issue name	Issue size (Rs. Lakhs)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (Rs.)	+/- % change in closing price, +/- % change in Closing benchmark		
						30 th calendar days from listing	90 th calendar days from listing	180 th Calendar days from listing
1.	Rite Zone Chemcon India Limited	896.40	75.00	11-11-2022	82.85	-8.0%; [0.80%]	-5.81%; [-2.60%]	-18.34% [-0.19%]
2.	Dollex Agrotech Limited	2,438.80	35.00	28-12-2022	30.00	11.60%; [-2.86%]	-16.67%; [-6.27%]	18.10% 3.14%
3.	Sonalis Consumer Products Limited	283.20	30.00	19-06-2023	38.00	85.59% 4.36%	-	-
4	Zeal Global Services Limited	3,646.20	103.00	09-08-2023	142.50	-	-	-

Sources: All share price data is from www.nseindia.com & www.bseindia.com.

Note:

- i. The CNX Nifty are considered as the Benchmark Index
- ii. Prices on NSE are considered for all of the above calculations
- iii. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered
- iv. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
- v. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

Summary statement of price information of past issues handled by Expert Global Consultants Private Limited:

Financial Year	Total no. of IPOs	Total Funds raised (Rs. Crores)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar		
			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	2	3,929.4	-	-	-	-	1	-	-	-	-	-	-	-
2022-23	2	3,335.20	-	-	1	-	-	1	NA	NA	NA	NA	NA	NA
2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-

PREVIOUS RIGHTS AND PUBLIC OFFERS

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this Draft Prospectus. However, the company has previously filed Draft Prospectus with BSE (SME Platform) dated January 3, 2023. Later, the company in the Board meeting dated February 21, 2023 decided to withdraw the Draft Prospectus dated January 3, 2023 filed with BSE SME Platform (due to change in eligibility requirement) and to file a fresh Draft Prospectus with the BSE (SME Platform) dated March 1, 2023.

Further, the Draft Prospectus dated March 1, 2023 with BSE SME Platform was containing the Restated Financial Statement as of September 30, 2022. In terms of SEBI (ICDR) Regulations, at the time of opening of the Issue the Financial Statements including in the Offer Document shall not be older than six months. Therefore, the Company in the Board meeting dated March 29, 2023 decided to withdraw the said Draft Prospectus filed with the BSE (SME Platform) and to file this fresh Draft Prospectus dated April 3, 2023 including the Restated Financial Statements for the period ended December 31, 2022.

TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: <https://www.expertglobal.in/>

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “*Capital Structure*” on page 43, our Company has not made any capital issue during the previous three years.

We do not have any listed Group Company / Subsidiary / Associate as on date of this Draft Prospectus.

STOCK MARKET DATA OF EQUITY SHARES

This being an initial public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 43, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

SECTION XI ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft 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 authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

AUTHORITY FOR THE ISSUE

The present Public Issue of upto 14,50,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 24, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on July 25, 2023 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

RANKING OF EQUITY SHARE

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to Section titled "Main Provision of Articles of Association" beginning on Page No. 180 of the Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled "Dividend Policy" beginning on Page No.104 of the Draft Prospectus.

FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The Equity Shares having a Face Value of ₹10.00 each are being issued in terms of the Draft Prospectus/ Prospectus at the price of ₹ [●] per Equity Share (including premium of ₹ [●] per share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "Basis for Issue Price" beginning on page 56 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Description of Equity Shares and Terms of Articles of Association” beginning on page 180 of this Draft Prospectus.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated July 31, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated August 01, 2023 between CDSL, our Company and Registrar to the Issue.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE 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 2000 Equity Share subject to a minimum allotment of 2000 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with another joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under section titled "Capital Structure" beginning on page 43 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "Description of Equity Shares and Terms of Articles of Association" beginning on 180 of this Draft Prospectus

PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]

In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.

➤ In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.

➤ In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.

➤ In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).

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 Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and SME Platform of BSE Limited 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 Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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 LM is liable for any failure in uploading the 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 Application Forms prior to the 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 Application Form, for a particular Applicant, the details as per the file received from BSE SME may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCBS / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 2000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S 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.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

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 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 Application Form, the OCB shall be eligible to be considered for share allocation.

RESTRICTIONS 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 minimum contribution in the Issue as detailed in the Section titled "Capital Structure" beginning on 43 of this draft prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares.

For further details, please refer to the Section titled, "Description of Equity Shares and Terms of the Articles of Association", beginning on 180 of this draft 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 LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this draft 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.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE Limited.

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012 as amended from time to time and notice dated December 20, 2021 our Company will have to be mandatorily listed and traded on the SME Platform for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of BSE from the SME Platform of BSE Limited on a later date shall be subject to the following:

- 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 promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

If the Paid-up Capital of the company is more than ₹10 crore but below ₹25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, “General Information- Details of the Market Making Arrangements for this Issue” beginning on page 40 of this draft prospectus.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as Deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Delhi, India.

The Equity Shares 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 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, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is more than ten crore rupees, issue shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “SECTION XI ISSUE RELATED INFORMATION” and “TERMS OF THE ISSUE” beginning on pages 148 and 153, respectively, of this draft prospectus.

Issue Structure

The present Issue of upto 14,50,000 Equity Shares at an issue price of ₹[●]/- each aggregating to [●] Lakhs by our Company.

The Issue and the Net Issue will constitute 29.59% and [●]%, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●] % of the Issue Size	[●] % of the Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 2000 Equity Shares each. For further details please refer to “Basis of Allotment” under Section titled “Issue Procedure” beginning on page 156 of this draft prospectus.	Firm Allotment
Mode of Application	^All the Applicants shall make the Application (Online or Physical) through ASBA Process Only	Through ASBA mode Only.
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000/-. For Retail Individuals: [●] Equity Shares	[●] Equity Shares
Maximum Application Size	For QIB and NII: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed Net Issue of Equity Shares subject to limit the investor has to adhere under the relevant laws and regulations applicable. For Retail Individuals: [●] Equity Shares so that the Application Value does not exceed ₹ 2,00,000/-.	[●] Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	
Trading Lot	2000 Equity Shares	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	Entire Application Amount shall be payable at the time of submission of Application Form	

^ As specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Stock Exchange shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the

application monies blocked. The circular shall be applicable for all categories of investors viz. Retail Individual Investors, QIBs, Non-Institutional Investors, and also for all modes through which the applications are processed.

*50% of the shares Issued in the Net Issue to Public portion are reserved for applications whose application value is below ₹ 2,00,000/- and the balance 50% of the shares are available for applications whose application value is above ₹ 2,00,000/-

Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled “THE ISSUE” on page no. 156 of this Draft Prospectus.

The Shareholder Reservation Portion shall not exceed 10% of the post-Issue paid-up Equity Share capital. Any unsubscribed portion remaining in the Shareholder Reservation Portion shall be added to the Net Issue. Any unsubscribed portion remaining in the Shareholder Reservation Portion shall be added to the Net Issue.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of Offered Shares, at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of RII’s using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants and the Escrow Collection Bank to release the Application Amounts to the Anchor Investors, if applicable, within one day of receipt of such notification. Our Company shall also promptly inform the same to the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Draft Prospectus after it is filed with the RoC. If our Company, in consultation with the Lead Manager withdraw the Issue after the Application/ Issue Closing Date and thereafter determine that it will proceed with public Issue of the Equity Shares, our Company shall file a fresh Draft Prospectus with the Stock Exchange.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Delhi.

ISSUE PROGRAMME

Events	Indicative Dates
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE Limited are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws.

Applications 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 Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of application on the issue closing date:

- A standard cut-off time of 3.00 PM for acceptance of applications.
- A standard cut-off time of 4.00 PM for uploading of applications received from other than retail individual applicants.

(c) A standard cut-off time of 5.00 PM for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received upto the closure of timings and reported by LM to BSE 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 application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. IST on the Issue Closing Date. Any time mentioned in this prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

THE ISSUE

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by Retail Individual Investors through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“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 bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Retail Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, which came into effect from May 01, 2021 had put in place measures to have a uniform policy to further streamline the processing of ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.

However, in view of the representations received from stakeholders, SEBI vide Circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 given some relaxation for the implementation timelines for the provisions of “the circular” which are as under:

- SMS Alerts: Para 9 of “the circular” prescribed the details to be sent by SCSB’s in SMS alerts. While SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.
- Web Portal for CUG: For ease of doing business, Para 10 of “the circular” prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as “CUG”) entities. In view of the representations received from the stakeholders, it has been decided that:
 - ❖ The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
 - ❖ In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details prescribed in Para 10 of “the circular” to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB’s etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.

- ❖ The Stock Exchanges and Lead Manager shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- Completion of Unblocks by T+4: Para 13 of “The Circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). While the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:
 - ❖ The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
 - ❖ The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
 - ❖ Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1.
 - ❖ To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB’s at appropriate level.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto ₹ 5 Lakhs shall use UPI.

Further, as per SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022. All ASBA applications in Public Issues shall be processed only after the application money is blocked in the investor’s bank accounts. The provisions of the circular shall be for all issues opening from September 01, 2022 onwards.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus. Further, our Company and the LM are not liable for any adverse occurrences’ consequent to the implementation of the UPI Mechanism for application in this Issue.

Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Issue, subject to applicable laws.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued UPI Circulars in relation to streamlining the process of public Issue of equity shares and convertibles.

Pursuant to the UPI Circulars, 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 the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public Issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Investor would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing would continue to be Six Working Days.

Phase II: This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public offers, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six working days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Managers. The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

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

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

APPLICATION FORM

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE (www.bseindia.com), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using

the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour of Application Form
Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

*Excluding Electronic Application Form.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI applicants (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 Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI applicants using UPI mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI applicants, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the 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 Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants 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.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed 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”), shall enter their UPI ID in the application form.

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 application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants have a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the 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 Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB’s authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in

single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non- Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of ₹. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them;
24. Applications not to be made by:
 - (A) Minors (except through their Guardians)
 - (B) Partnership firms or their nominations
 - (C) Foreign Nationals (except NRIs)
 - (D) Overseas Corporate Bodies

MAXIMUM AND MINIMUM APPLICATION SIZE

For Retail Individual Investors

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹2,00,000.

For Other than Retail Individual Investors (Non-Institutional Investors 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 1,200 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 Applicant 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 Investors, 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.

Applicants 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 Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the 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). For applications where the proportionate allotment works out to less than 2000 Equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 2000 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.
3. If the proportionate allotment to an applicant works out to a number that is not a multiple of 2000 Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 2000 Equity shares subject to a minimum allotment of 2000 Equity shares.
4. If the Shares allotted 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. If as a result of the process of rounding off to the nearest multiple of 2000 Equity shares, results in the actual allotment being higher than the shares issued, 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 Draft Prospectus.
5. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - (a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - (b) The balance net issue of shares to the public shall be made available for allotment to:
 - i. Individual applicants other than retails individual investors; and
 - ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

(c) The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

6. Retail Individual Investors' 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 Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

APPLICATION BY HUFs

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

APPLICATION BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI applicants using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI applicants applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in colour).

Participation by Eligible NRIs in the Issue shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put

together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see “RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES” on page 177 of this Draft Prospectus.

APPLICATION BY FPIs AND FIIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid -up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non -Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid -up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

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 Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments 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.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue is advised to use the Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate

implementation of SEBI FPI Regulations (such structure “MIM Structure”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected.

APPLICATION BY SEBI REGISTERED AIF, VCF AND FVCI

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public issuing of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

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.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

Equity shares of a company: the lower of 10%⁽¹⁾ of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;

The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

⁽¹⁾ The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs.500,000 million or more but less than Rs.2,500,000 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“Banking Regulation Act”), and the Reserve Bank of India (“Financial Services provided by Banks”) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks’ interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company’s paid- up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid- up share capital and reserves.

APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

APPLICATIONS BY SCSBS

SCSBS participating in the Issue is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. 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.

The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA 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 Application Form, please refer the above-mentioned SEBI link.

METHOD AND PROCESS OF APPLICATIONS

The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only).

All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the 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 Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants 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.

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 Applicants. 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 applicants 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 Applicants.

PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the 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 Individual Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful 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 Applicant, 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 ICDR Regulations, 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, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the 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 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 Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

- a) Name of the Applicant;
 - b) IPO Name;
 - c) Application Form Number;
 - d) Investor Category;
 - e) PAN (of First Applicant, if more than one Applicant);
 - f) DP ID of the demat account of the Applicant;
 - g) Client Identification Number of the demat account of the Applicant;
 - h) Number of Equity Shares Applied for;
 - i) Bank Account details;
 - j) 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
 - k) Bank account number
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA 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 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 Individual Investors and Retail Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the 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 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 Draft 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 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 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.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

Our company has entered into an Underwriting Agreement dated [•].

A copy of Prospectus will be filed with the ROC in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation. In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ALLOTMENT ADVERTISEMENT

Our Company, the Lead Manager and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation.

ISSUANCE OF CONFIRMATION ON ALLOCATION NOTE AND ALLOTMENT IN THE ISSUE

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants 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 Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

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 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
2. Ensure that you have apply within the Price Band
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. UPI Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
6. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an RII bidding using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Mechanism for an application size of up to ₹5,00,000 for Retail Individual and Non-Retail Individual Investors using the UPI Mechanism) to make an application in the Issue. Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;
8. If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Retail Individual Investors, bidding using the UPI Mechanism);
9. All Applicants should submit their Applications through the ASBA process only;

10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
11. Retail Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at www.sebi.gov.in;
12. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement of your application;
14. Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;
16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
17. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. 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;
20. Ensure that the correct investor category and the investor status is indicated in the Application Form;
21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that you use only your own bank account linked UPI ID (only for Retail Individual Investors using the UPI Mechanism) to make an application in the Issue;
24. Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
25. Applicants, other than Retail Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN 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 and PAN available in the Depository database;
27. In case of ASBA Applicants (other than Retail Individual Investors using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
28. Once the Sponsor Bank Issues the UPI Mandate Request, the Retail Individual Investors would be required to proceed

to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;

29. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
30. Retail Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Retail Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in the Retail Individual Investors ASBA Account
31. Investors using the UPI Mechanism shall ensure that details of the Application 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 Investor shall be deemed to have verified the attachment containing the application details of the Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
32. Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;
33. Retail Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
36. Investors shall 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 Issue Closing Date.
37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not apply by another Application Form after submission of Application to the Designated Intermediary.
4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not submit the Application Forms to any non-SCSB bank or our Company;
7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit more than one Application Forms per ASBA Account;
10. Do not submit the Application Forms to any Designated Intermediary that is not authorised to collect the relevant Application Forms or to our Company;
11. Do not apply for an Application Amount exceeding Rs. 200,000 (for Applications by Retail Individual Investors);
12. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
13. Do not submit the General Index Register number instead of the PAN;

14. Do not submit incorrect details of the DP ID, Client ID and PAN 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 the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
16. If you are a Retail Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
17. If you are a Retail Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a color prescribed for another category of Applicant;
19. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
20. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise their applications during the Issue Period and withdraw their Applicants on or before the Issue Closing Date;
22. Do not apply for shares more than specified by respective Stock Exchanges for each category;
23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Investor using the UPI mechanism;
24. Do not submit incorrect UPI ID details, if you are a Investors applying through UPI Mechanism;
25. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your application after 3.00 p.m. on the Issue Closing Date;
26. Do not apply if you are an OCB.

The 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 shall reach out to the Company Secretary and Compliance Officer.

For details of the Company Secretary and Compliance Officer, see “General Information” on page 35.

For helpline details of the Lead Manager pursuant to the SEBI circular no. SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information – Lead Manager to the Issue” on page 47 of this Draft Prospectus.

GROUND FOR TECHNICAL REJECTIONS

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section “Who can Apply?” on page 160 of this Draft Prospectus;
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;

9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Retail Individual Investors with Application Amount for a value of more than Rs. 200,000;
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants (who are not Anchor Investors) accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB
16. For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.
17. For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Lead Manager and the Registrar to the Issue, 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.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company shall not make an allotment if the number of prospective allottees is less than one thousand. Our Company will not make any Allotment in excess of the Equity Shares issued through the Issue through the Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots. The allotment of Equity Shares to Applicants other than to the Retail Individual Investors, Non-Institutional Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The allotment of Equity Shares to each Retail Individual Investors shall not be less than the minimum lot, subject to the availability of shares in Retail Individual Investors Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non- Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

INVESTOR GRIEVANCE

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 to the chapter titled "General Information" on page 47 of this Draft Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

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 Rs 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months 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 Rs 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs 5 million or with both.

DEPOSITORY ARRANGEMENTS

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). It is mandatory for the applicants to furnish the details of depository account and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form.

Specified securities, on allotment, shall be traded on stock exchanges in demat mode only in this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated July 31, 2023 among NSDL, our Company and the Registrar to the Issue.
2. Agreement dated August 01, 2023 among CDSL, our Company and Registrar to the Issue.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six working days of the Issue Closing Date or within such other time period prescribed by SEBI will be taken;
3. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
4. if Allotment is not made within six working days from the Issue Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
5. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. that if our Company do not proceed with the Issue after the Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The Stock Exchanges shall be informed promptly;
7. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh issue document with SEBI/Stock Exchange, in the event our Company or subsequently decide to proceed with the Issue;
8. adequate arrangements shall be made to collect all Application Forms from Applicants.
9. the Promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public.

The information set out above is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the prescribed limits under applicable laws or regulations.

UTILISATION OF NET PROCEEDS

Our Board certifies that:

1. 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;
2. details of all monies utilised out of the Fresh issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating

- the purpose for which such monies have been utilised;
3. the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
 4. the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

SECTION XII RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The DIPP 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 issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy from time to time and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI issues Master Directions on Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions.

Under the current applicable FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our Company is involved in the business of manufacturing. 100% foreign direct investment through automatic route is permitted in the sector in which our Company operates.

At Present, the FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 has been superseded by FEMA (Non -Debt Instruments) Rules, 2019 dated October 17, 2019 (FEMA Non-Debt Rules). The sectoral cap given in the FEMA Non-Debt Rules shall come into effect from April 01, 2020.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case 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 Application Form, the OCB shall be eligible to be considered for share allocation. An erstwhile OCB may transfer equity instruments subject to the directions issued by the Reserve Bank of India from time to time in this regard. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines.

Investment conditions/restrictions for overseas entities

The maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, Foreign Portfolio Investors (FPIs), Non-Resident Indian (NRI)/ Overseas Citizen of India (OCI), Limited Liability Partnerships (LLPs), Foreign Venture Capital Investor (FVCI), Investment Vehicles and Depository Receipts (DRs) under Schedule I, II, III, VI, VII, VIII and IX of the FEMA Non Debt Rules. Any equity

holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the sectoral cap.

(i) Investment by FPIs under Portfolio Investment Scheme (PIS):

Aggregate FPI upto 49% of the paid up capital on a fully diluted basis or the sectoral or statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in the transfer of ownership or control to persons resident outside India and other investments by a person resident outside India shall be subject to the conditions of Government approval and compliance of sectoral conditions as laid down in the FEMA Non Debt Rules.

Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy 2020 till the time the new sectoral cap as mentioned in the FEMA Non-Debt Rules comes into effect. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

With regards to purchase/sale of equity instruments of an Indian company by an FPI under PIS, the total holding by each FPI or an investor group shall be less than 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 % and 24 % will be called the individual and aggregate limit, respectively.

With effect from the April 01, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FEMA Non-Debt Rules, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid up value of each series of debentures or preference shares or share warrants.

The aggregate limit as provided in sub-paragraph (b) of paragraph 3 of Schedule I may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively before March 31, 2020. Further, the Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively. Also, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold. The aggregate limit with respect to an Indian company in a sector where FDI is prohibited shall be 24 %.

(ii) Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity instruments as defined under the FEMA Non-Debt Rules of a listed Indian company on repatriation basis on a recognized stock exchange in India by NRI or OCI is allowed subject to certain conditions under Schedule III of the FEMA Non-Debt Rules that is:

The total holding by any individual NRI or OCI shall not exceed 5 % of the total paid-up equity capital on a fully diluted basis or should not exceed 5 % of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 % of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 % may be raised to 24 % if a special resolution to that effect is passed by the general body of the Indian company.

(iii) Investment by NRI or OCI on non-repatriation basis

The Schedule IV of the FEMA Non-Debt Rules deals with Purchase/ sale of equity Instruments or convertible notes or units or contribution to the capital of a LLP by a NRI or OCI on non-repatriation basis. It shall be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions by RBI.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no issue to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such issue made under exemptions available under the Prospectus Directive, provided that no such issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft prospectus.

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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 and do not exceed the applicable limits under the laws and regulations.

SECTION XIII
ARTICLE OF ASSOCIATION OF ROYAL SENSE LIMITED

TABLE F
THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ROYAL SENSE LIMITED

Interpretation

I. (1) In these regulations—

(a) “the Act” means the Companies Act, 2013,

(b) “the seal” means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Share capital and variation of rights

II.

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
- Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
- Provided that no sale shall be made—
- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

Forfeiture of shares

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution,

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalisation of profits

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58. The Following are the first Directors of the Company:
1. Rishabh Arora
 2. Gaurav Arora
 3. Harmeet Singh
59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.

- 61.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 62.** All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 63.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 64.** (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

- 65.** (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 66.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 67.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 68.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 69.** (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 70.** (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 71.** (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 72.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or

more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act,

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

- 81.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 82.** (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 83.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 84.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 85.** No dividend shall bear interest against the company.

Accounts

- 86.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

- 87.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

- 88.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

**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 2 Months before the date of the draft prospectus) or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Prospectus in RoC.

A. Material Contracts to the Issue

1. Issue Agreement dated July 25, 2023 entered into among our Company and the Lead Manager.
2. Agreement dated August 09, 2023 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated July 31, 2023 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated August 01, 2023 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [•] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [•] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [•] between our Company and the Lead Manager.

B. Material Documents

1. Copies of ROC Form i.e. INC-33 & INC-34 (E-MOA & E-AOA) of our Company;
2. Certificate of Incorporations of our Company dated April 06, 2023 issued by Registrar of Companies;
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated July 24, 2023 and July 25, 2023 respectively, authorizing the Issue and other related matters;
4. Peer Review Auditors Report dated August 01, 2023 on Restated Financial Statements of our Company for the period ended June 30, 2023;
5. Copy of Statement of tax benefits dated August 01, 2023 from the Statutory Auditor included in this draft prospectus;
6. Copy of Valuation Report given by the registered valuer dated May 03, 2023 in the matter of acquisition of Proprietorships viz M/s Anaya, M/s PHT & M/s Royal Traders to Royal Sense Limited;
7. Copy of Business Transfer Agreement executed on May 05, 2023 between M/s Anaya, M/s PHT and M/s Royal Traders and Royal Sense Limited;
8. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the draft prospectus to act in their respective capacities;
9. In-principle listing approval dated [•] from the BSE Limited for listing the Equity Shares on the SME Platform of BSE Limited;
10. Due Diligence certificate from Lead Manager dated August 11, 2023;

Any of the contracts or documents mentioned in this draft prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

**SECTION XV
DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Rishabh Arora Managing Director DIN: 09745543	Sd/-
HARMEET SINGH Whole Time Director DIN: 10103440	Sd/-
GAURAV ARORA Director DIN: 09147720	Sd/-
AMIT SINGH TOMAR Director DIN: 10063772	Sd/-
MUKTA AHUJA Director DIN: 10160572	Sd/-

Date: August 21, 2023

Place: Delhi